THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

U.S. and China Settle the Nanking Incident

Is Britain Unwilling to Settle the Nanking Affair?

By C. Y. W. Meng

The Alien Ownership of Land in China

By Chen Kwan-soon

The Nationalists and the China Merchants S. N. Co.

By Paul K. Whang

Some Impressions on the Nanking Settlement!

By J. B. P.

評論報

SATURDAY, APRIL 7, 1928

FORTY CENTS A COPY

Vol. XLIV No. 6.

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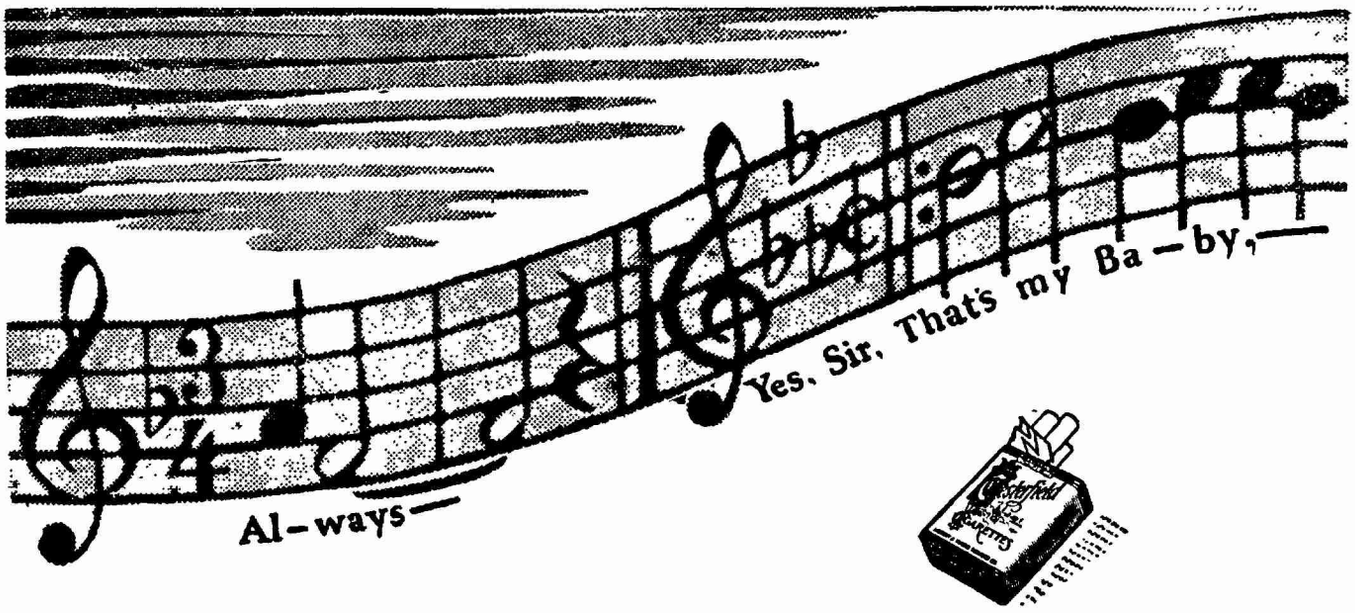

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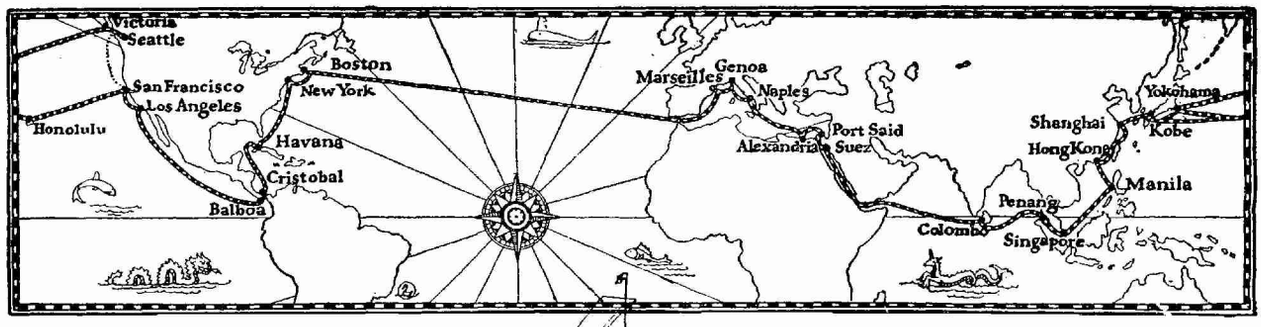

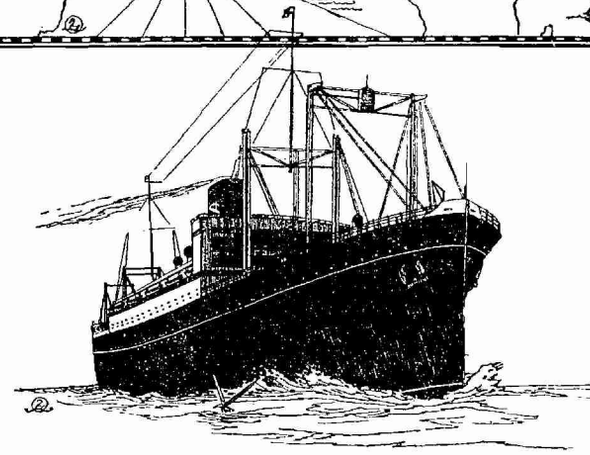

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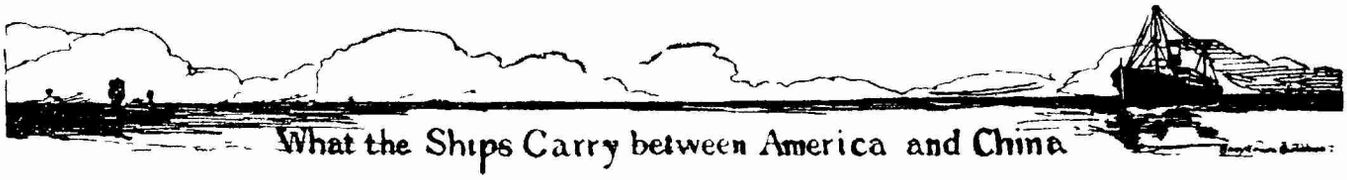

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds. Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls., Nov. Customs Rate Tls. 1.43 equal Gold $1

ALABAMA MARU,
Febauary 29.
From U. S. A.

Copper Ingots	Pls.	1,008
Herrings, Salt	,,	1,450
Timber:		
Softwood, Merchantable Manufactured Sup ft.		67,659

GLAUCUS, March 2.
To New York.

Hides, Cow	Pls.	140
Silk, Raw, Filature:		
Wild, other Ports Bls. 100	,,	101.33

WEST HOLBROOK, March 2.
From U. S. A.

Timber:		
Softwood, Ordinary, Sawn	Sup. ft.	509,490

BIRCHBANK, March 6.
from U. S. A.

Tinned Plates, Plain ..	Pls.	1,354
,, ,, Scrap ..	,,	270
Wax, Paraffin	,,	421
Oil, Lubricating, Mineral	Galls.	5,013

SADO MARU, March 7.
from U. S. A.

Cotton, Raw..	Bls. 250 Pls.	933

PRESIDENT POLK, March 7.
from U. S. A.

Flannel, Grey:		
32¾ in. by 31 yd ..	Pcs.	17
Oilcloth	,,	2,765
Shirtings, White, over 41 in. wide	Yds.	668
Cotton Piece Goods, Yarn-dyed	,,	1,429
Cotton Piece Goods, Unclassed	,,	5,795
Cotton Embroidery in Skeins, Under 200 taels	Pls.	59
Tinned Plates, Plain ..	,,	551
Zinc Plates	,,	8
Aluminium Foil	,,	98
,, Wire	,,	23
Asbestos Sheets & Packing	,,	3
Butter	,,	22
Canned Fruits	,,	93
Cheese	,,	4
Grease, Lubricating, Mineral	,,	53
Indigo Paste, Artificial, 20 per cent.	,,	884
Ink, Printing	,,	250
Lead-foil and Tinfoil, ..	,,	615
Leather, Calf	,,	14
,, Patent	,,	5
,, Sole	,,	53
Oranges, Fresh	,,	88
Paper, Coated	,,	310
,, Printing, Woodfree	,,	31
,, Writing	,,	36
,, Unclassed	,,	1,097
Raisins, Dried	,,	75
Soda, Silicate of	,,	300
Sugar, White	,,	15
,, ,, Cube ..	,,	21
Sulphur Black	,,	853
Tobacco, Prepared	,,	1
Paint, Varnish	Galls.	180
Oil, Lubricating, Mineral	,,	16,513
Cigarettes	Mille	5,010
Lemons, Fresh	Mille	63
Shoes	Pairs	3,480
Chocolate	Lb.	2,940
Infants' Food....	Hk. Tls.	1,385
Dyes, Aniline Pkgs. 293	Hk. Tls.	21,513
Treasure:		
Gold Bullion ..	,,	401,495
Silver Bars ..	,,	1,480,168
,, Bullion ..	,,	122,709

RABY CASTLE, March 8.
To Boston.

Hides, Cow, Untanned	Pls.	64

To New York.

Antimony Regulus	,,	15
Oil, Wood	,,	1,740
Rhubarb	,,	25

TACOMA, March 8.
From U. S. A.

Gasolene, in bulk ..	Galls	715,756
Oil, Lubricating, Mineral	,,	302,975

EMPRESS OF RUSSIA, March 9.
To New York.

Silk, Raw, Steam Filature:		
White, Shanghai Bls. 50	Pls	50.14
White, other Ports Bls. 10	,,	10.00
Yellow, Hankow Bls. 25	,,	25.10
Yellow, other Ports Bls. 5	,,	5.35
Silk, Raw, Re-reeled:		
White, Shanghai Bls. 16	,,	16.11
White, other Ports Bls. 70	,,	71.15
Silk, Raw, Filature:		
Wild, other Ports Bls. 60	,,	61.45
Silk, Piece Goods	,,	10.59
Pongees, Honan	,,	42.00
Antimony, Oxide	,,	420
Bristles, Assorted	,,	50
Feathers, Goose	,,	166
Straw Braid	,,	32
Skins, Sheep	Pcs.	7,000
,, Mole	,,	680
,, Lamb	,,	5,164
,, Rabbit	,,	3,190
,, Marmot	,,	11,999
,, Weasel	,,	7,650

To Boston.

Hides, Cow	Pls.	733
Walnuts, Shelled	,,	206

To Vancouver.

Beans	,,	71
Bristles, Assorted	,,	59
Brassware	,,	19
Oil, Groundnut	,,	97
Walnuts, Kernels	,,	1,363
Kittysols	Pcs.	2,044
Rugs	Hk. Tls.	2,073

To Montreal.

Brassware	Pls.	25
Skins, Goat, Tanned	Pcs.	4,375

To Victoria.

Oil, Groundnut	Pls.	11

To Shamokin, Pa.

Silk, Raw, Steam Filature: White, Shanghai Bls. 430	,,	430.88

To Reading, Pa.

Silk, Raw, Steam Filature: White, Shanghai Bls. 10	,,	10.07

To Buffalo.

Silk, Raw, Steam Filature: White, Shanghai Bls. 30	,,	30

To Luzerne, Pa.

Silk, Raw, Steam Filature: White, Shanghai Bls. 10	,,	9.98

To Scranton.

Silk, Raw, Re-reeled: White, other Ports Bls. 30	,,	30.74

To Hudson.

Silk, Raw, Re-reeled: White, other Ports Bls. 10	,,	9.57

To Hoboken.

Silk, Raw, Steam Filature: Yellow, Hankow Bls. 9	Pls.	9.25
Yellow other Ports Bls. 11	,,	10.72

To White Hall.

Shanghai	Bls 16 ,,	18.35
Other Ports..	Bls. 10 ,,	32.00

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—We have had another bull market throughout the past week, accompanied by quite a revival in speculation, and prices showed a net advance of about Tls. 0.50 per picul. When a recession took place, enough buying power appeared to absorb all offerings and covering of contracts for short accounts. It is clearly evident at present that the sentiment has become more divided and while the active manipulation brought into play at times to depress prices, has strengthened the attitude of up-country holders toward the bull side, the support required to bear the market has on the whole not shown any extreme weakness.

From the foregoing, it will be seen that as far as the general outlook is concerned, the expectations incline to a higher level of prices, but we cannot encourage our friends to follow the bulls too far and would rather advise buying on good declines. The situation continues to hinge on the developments in Mid-Americans and Indians, coupled with the attitude of interior and up-country holders, as well as the situation of the yarn market.

Yarn—We have no change to report in the position of the local yarn market, in that prices ruling are nearly the same as last week. New business for export has been booked some 6000 to 7000 bales in all counts at ruling prices.

Viewing the situation in the raw material and stocks of yarn both locally and in the interior marts, we believe that the yarn market will present a more appreciable outlook, no sooner the political disturbances in the country assume a more favourable aspect.

Liverpool:—

American-Middling	10.94
American-Middling last reported	11.04
Tone of the Market, *Steady*	

New York Market:—

Price of Mid-Amer.	19.85 Spot.
	19.34 May.
	19.17 July
	18.82 Oct.
	18.70 Dec.
	18.68 Jan.

Tone of the market—*Steady*

Indian Market:—

Fully Good Bengal,	May.	307
Fine Oomra,	May.	336
Fully Good Broach,	April/May	366

Tone of the market—*Steady*

Shanghai Market:—

		Tls.
Tungchow,	Spot. Exwharf	40.00
Shanghai,	Spot	38.50
M. Ginned,	Spot	38.75
Shensi, No. 1	Mar.	39.75
Ningpo.	Spot, Exwharf.	34.60

Tone of the market—*Firm*

Shanghai-Nanking Railway Abridged Time Table.

Main Line—Shanghai-North to Nanking.

UPWARD

STATIONS		Local	Fast	3rd&4th Local	Express	3rd & 4th	Local	Fast	Local	Local	Local	Local	Night Express
Shanghai North	dep.		7.00	7.20	8.50	9.05	12.10	12.35	14.20	16.10	18.10	19.35	21.30
Nansiang	,,		7.28	7.50	—	9.39	12.42	13.05	14.59	16.41	18.42	20.12	22.13
Anting	,,		7.49	8.19	—	10.10	13.05	13.29	15.30	17.03	19.07		—
Kunshan	,,		8.17	8.48	10.11	10.51		14.04	16.08		19.44		—
Soochow	,,		9.11	9.53	10.54	12.04		14.57	17.14		20.36		1.06
Wusih	,,	6.35	10.13	11.05	11.50	13.30		15.50	18.28		21.35		2.50
Changchow	,,	7.51	11.14	12.07	12.47	14.48		16.55	19.32				4.33
Tanyang	,,	8.58	12.16		13.40	15.58		18.00					6.14
Chinkiang	,,	10.05	13.10		14.23	17.09		18.57					7.02
Nanking	arr.	12.05	14.49		15.40	19.19		20.30					8.42

Main Line—Nanking to Shanghai-North.

DOWNWARD

STATIONS		Local	Local	Local	Fast	Express	Local	3rd&4th Local	3rd & 4th	Fast	Local	Local	Night Express
Nanking	dep.				6.55	9.10			9.25	12.30		16.35	21.30
Chinkiang	,,				8.43	10.46			11.40	14.30		18.54	0.24
Tanyang	,,				9.28	11.25			12.45	15.28		19.50	1.26
Changchow	,,		6.45		10.36	12.39		13.05	14.08	16.44		21.11	3.03
Wusih	,,	5.30	7.55		11.45	13.32		14.20	15.45	17.47		22.15	4.35
Soochow	,,	6.30	9.09		12.45	14.26		15.45	17.10	18.51			6.14
Kunshan	,,	7.21	10.13		13.32	15.03		17.10	18.24	19.42			—
Anting	,,	7.51	10.47	13.27	14.04	—	17.15	17.45	19.09	—			—
Nansiang	,,	8.15	11.12	13.49	14.24	—	17.37	18.09	19.40	20.31	20.50		7.52
Shanghai North	arr.	8.40	11.37	14.15	14.50	16.00	18.03	18.42	20.10	20.55	21.19		8.16

From the 25th May, 1927.

Shanghai-Hangchow-Ningpo Railway Abridged Time Table.

Shanghai North to Zahkou DOWN — **Main Line** — Zahkou to Shanghai North UP

STATIONS		Fast Local	Express R	2nd 3rd & 4th	Fast R	Fast Local	STATIONS		Fast Local	Express R	2nd 3rd & 4th	Fast R	Fast Local
			*	*	*	*				*	*	*	
Shanghai N.	d.		8.05	9.15	13.30	15.35	Zahkou	d.		7.15	9.05	13.35	15.25
Jessfield	d.		8.21	9.32	13.46	15.51	Hangchow	d.		7.40	9.40	14.00	15.51
Siccawei	d.		8.27	9.40	13.53	15.58	Changan	d.		8.32	11.05	15.06	17.03
Lunghwa J.	d.		8.40	10.02	14.07	16.14	Yehzah	d.		9.03	12.03	15.43	17.46
							Kashing	d.	7.35	9.44	12.57	16.32	18.25
Shanghai S.	d.		8.15	9.30	13 40	15.45	Kashai	d.	8.06	10.08	13.35	16.59	(a)
Lunghwa J.	a.		8.34	9.49	13.59	16.04	Sungkiang	d.	9.15	11.01	14.48	17.58	
Sungkiang	d.		9.20	11.00	14.53	17.08	Lunghwa J.	d.	10.11	11.41	15.53	18.47	
Kashai	d.		10.09	12.07	15.48	18.10	Shanghai S.	a.	10.30	12.00	16.12	19.07	
Kashing	d.	7.40	10.40	12.49	16.23	18.35							
Yehzah	d.	8.25	11.14	13.40	17.03	(a)	Lunghwa J.	d.	10.10	11.42	15.48	18.45	
Changan	d.	9.18	11.49	14.32	17.44		Siccawei	d.	10.19	11.49	15.57	18.54	
Hangchow	d.	10.34	12.45	16.00	18.55		Jessfield	d.	10.26	11.56	16.05	19.01	
Zahkou	a.	10.50	13.00	16.25	19.10		Shanghai N.	a.	10.40	12.10	16.20	19.15	

Konzenchiao-Zahkou — (Kiangshoo Branch Line) — Zahkou-Konzenchiao

Konzenchiao	d.	7.05	9.30	11.45	13.50	17.30	Zahkou	d.	8.15	10.35		15.10	18.35
Kenshangmun	d.	7.21	9.48	12.01	14.10	17.46	Hangchow	d.	8.34	10.54	12.38	15.29	18.58
Hangchow	d.	7.38	10.00	12.12	14.23	18.03	Kenshangmun	d.	8.46	11.06	12.51	15.46	19.11
Zahkou	a.	7.55	10.20	(a)	14.40	18.20	Konzenchiao	a.	9.00	11.20	13.05	16.00	19.25

Note:—Trains marked with* are in connection with S.N.L. Trains at Shanghai North.
R—Restaurant.

Chinese Government Railways

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Shanchow: 800 Kilometers

In Construction: From Shanchow to Sianfu: 250 Kilometers

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This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Honan and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train, runs twice a week, connects Hsuchow with Chengchow. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further detailed particulars, intending passengers are requested to apply to the Traffic Manager at Chengchow, Honan.

44-203

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CAPSTAN

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密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

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VOLUME XLIV SHANGHAI, CHINA, SATURDAY, APRIL 7, 1928 NUMBER 6

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 4 AVENUE EDWARD VII, SHANGHAI CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher
LIZEN SCHENG, Advertising Manager

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Contents

Editorial Paragraphs
The Nanking Incident Is Settled! 157
The American and Chinese Officials Who Negotiated a Settlement of the Nanking Incident 159
How it Feels To Be An "Equal" in China 160
S. M. Police Slams the Chinese Press! 161
Wheels, Race-Tracks And Greyhounds! 161
Shanghai's Antiquated Municipal Machinery 162
The Work of Dr. Frederick Wells Williams 162
Special Articles
Is Britain Unwilling to Settle Nanking Case? ..... By C. Y. W. Meng 163
Britain's Fresh Chance in China ..... By H. Wilson Harris 165
Alien Ownership of Land in China ..... By Chen Kwan-Soon 166
Nationalists and the China Merchants S. N. Co. ..... By Paul K. Whang 167
Patience Needed For China And The Powers 170
Last Season's Tea Season in China ..... By "Centrosoyus" 172
Who's Who in China 176
Men and Events 176
What They Think of the Nanking Settlement ..... By J. B. P. 178
From the Chinese Press 180
New Books of Interest in the Far East 181
What the Ships Carry between America and China v

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 4 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE CENTRAL 4741. CABLE ADDRESS "REVIEWING SHANGHAI."

AMERICAN OFFICE
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11 West 42nd Street New York City
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THE NANKING INCIDENT IS SETTLED!

THERE will be general gratification among both Americans and Chinese at the news which was published early in the week that the Nanking incident has been settled, that is, settled so far as the United States and Nationalist China are concerned. While the actual terms of settlement had not been published as these lines were written, it was generally understood that the details were covered in the form of three letters which were exchanged between Mr. John Van Antwerp MacMurray, American Minister, and Mr. Hwang Fu, Nationalist Minister of Foreign Affairs. The first letter dealt with the matters of an apology on the part of the Nationalists, the punishment of those guilty, and an understanding regarding reparations. The second letter dealt with the matter of the American gunboates Noa and Preston which fired a barrage around the Socony Hill section of Nanking, while the third letter dealt with the general matter of treaty revision from the standpoint of China and the United States. The negotiations between the American and Nanking Governments were initiated about a month ago when Mr. MacMurray first arrived in Shanghai on a trip through the Yangtsze Valley. Upon Mr. MacMurray's departure for the Upper Yangtsze the matter of arranging the details was left to Mr. E. S. Cunningham, American Consul-General at Shanghai and Mr. G. Zay Wood, Chief of the European and American Bureau of the Nanking Foreign Office, who acted on behalf of the Nationalist Foreign Minister. When Mr. MacMurray returned from the Upper Yangtsze last week he concluded the negotiations in the course of a conversation with Mr. Hwang Fu on Thursday, March 26.

AS TO the details of the settlement of the Nanking incident, the Nationalist Government expresses an apology for the attack on American citizens and their properties and expresses its intentions to prevent similar occurrences in the future. The Nationalists also agree to make reparations for the damages suffered by American citizens, the details being left to a joint Sino-American commission composed of two Chinese and two Americans. In reference to the demand of the Nationalist Government that America should apologize for the firing of American gunboats on Nanking, the American letter states that it considers the action of the commanders of the Noa and Preston to have been necessary in order to save the lives of the American Consul, Mr. John K. Davis and his family as well as other Americans in other parts of Nanking at the time, but at the same time the United States Government expresses regret that such action was necessary. In refer-

ence to the matter of treaty revision the American Government expresses sympathy with China's position in reference to the so-called unequal treaties and declares its willingess to negotiate new treaties when conditions warrant such action and at the same time expressed the hope that China would shortly be able to effect a unification of her governmenal affairs so that the treaty situation between the two countries can be adjusted. The matter of reopening the American Consulate at Nanking which has been closed for more than a year, will shortly be effected, according to report. Mr. J. Hall Paxton, it is understood, will proceed to Nanking shortly for that purpose although considerable time will be required for getting the building in condition for occupancy.

WHILE Mr. MacMurray was guided by his instructions from Washington in effecting a settlement of the Nanking incident, he is nevertheless to be congratulated upon the successful conclusion of the conversations and this also refers to the part played by Mr. Hwang Fu, Minister of Foreign Affairs as well as to Mr. E. S. Cunningham, American Consul-General at Shanghai and Mr. G. Zay Wood of the Nanking Foreign Office. While there is regret that the British and Japanese have not yet been able to arrive at a similarly successful conclusions to the conversations which they have been conducting with the Nanking Government, there is general gratification in the American community that Washington went ahead and effected a settlement. It is understood that the five Powers which participated in the dispatch of Notes to the Nationalists last spring, America, Great Britain, Japan, France and Italy, have kept each other fully informed regarding the progress of the conversations. The Nanking incident of March 24 last year was reviewed in detail in *The Review* on March 24 last, hence it is unnecessary to go further into that unfortunate occurrence which led to widespread demands for armed intervention on the part of foreign "die-hard" interests both in China and abroad. The wisdom of President Coolidge in declaring against intervention and counselling patience is now apparent to all. Had the American Government heeded the propaganda of the interventionists we would now probably be involved in military complications in China which would make the Nicaraguan intervention muddle appear as a flea-bite in comparison. There is sincere hope there will be no further serious complications resulting from the present Chinese revolutionary movement and that the Chinese people will now be permitted to work out their internal political and economic problems without outside interference. In this connection the following editorial comment form the *Peking Leader*, American newspaper in the Northern Chinese capital, is of special interest,

The Nanking Incident—and After

(*Peking Leader, March 21, 1928*)

The Nanking incident of March 24, 1927, has been a long time in settlement. It looks now, however, as though an agreement was to be reached before long, at least between the British and the Nanking authorities.

At no time has there been the suggestion from responsible authorities on either side that no settlement was needed. The foreign powers concerned put in their first demands fairly soon after the incident occurred. Even before this had been done, however, such Chinese authorities as there were at Nanking had expressed their regret and their readiness to make a settlement.

There the matter has been allowed to rest—chiefly because the foreign authorities, with whom the initiative lay, have been wise enough to wait until feeling on the subject had cooled down somewhat, and until some sort of responsible authority which could speak for the Nationalist organization had appeared. They could afford to wait because, as far as the foreigners were concerned, the question was not of compelling an unwilling administration to admit that something had occurred which needed settlement; it was the much less harsh one of deciding when and with whom the terms of the settlement were to be discussed.

At the time the incident occurred and for months afterwards, it was obvious that the skeleton administration at Nanking was not in a position to make responsible pledges. It also soon became clear that the faction of the Kuomintang which was in control at Nanking after the incident was not the group really responsible for what had happened, and that while foreigners had been the chief sufferers, the whole affair basically was an attempt of the radicals to create embarrassment for the moderates in the Kuomintang rather than an effort to kill or drive out the foreigners.

Without doubt the net effect of the Nanking incident was a bitter disappointment to the radicals. They had seen their influence waning, and the moderates becoming stronger, especially since the latter had taken Shanghai. The radicals knew that some desperate gesture which would rouse a storm of anti-foreign feeling in China was necessary it they were to regain dominance. They arranged the attacks on the foreigners in the hope that this would provoke a bombardment by the foreign gunboats, and that this bombardment would stir the country to wrath. The bombardment took place, but only as a last resort and only on a small scale.

The net result on feeling among all except a few of the Chinese was one of strong condemnation of the radicals for bringing on China the disgrace of such an incident, and of a measure of approval for the restraint which the commanders of the warships had shown. Feeling started to turn, that is, in exactly the reverse direction from that which the radicals had hoped.

For some days, however, the possibility still existed of a swing of feeling against the foreigners. The extreme radicals did all the shouting about the incident they could. They circulated greatly exaggerated stories of the damage done by the bombardment. And the extreme "die hards" among the foreigners also contributed their share to the possibility of turning the affair into the cause of profoundly grave international friction. They circulated much exaggerated stories of the number of foreigners killed and of the general devilishness of the soldiers concerned. They demanded in most strident terms that vigorous "punitive measures" be taken at once. This "strong action" should not be confined to Nanking itself, they argued, but should include the reoccupation of the British concession at Hankow and a much increased display of force all up and down the Yangtsze.

Extremists on both sides, that is, were busy pouring oil on the flames. Fortunately, cooler counsels prevailed. The foreign powers concerned did present certain demands, but they were not nearly so severe as the Chinese moderates had feared or the foreign and Chinese extremists—and the Russians—had hoped. Furthermore, as more details of the incident gradually came out, the fact became clear that the earlier reports from both sides had been greatly exaggerated. As not infrequently happens in similar circumstances, the reaction took the form of a tendency to discount every report of killings or humiliation.

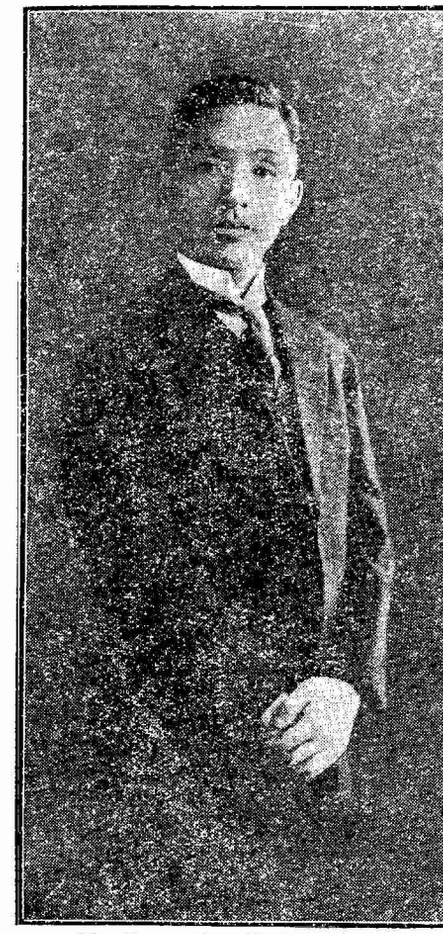
In the actual circumstances, and especially since the initiative for the next step lay with the foreigners rather than with the Chinese, a large part of the credit lies with the responsible foreign authorities for the fact that the very serious crisis passed with as little aggravation of feeling as it did. Had the foreign governments listened to the advice of the foreign extreme "die hard," very probably Chinese feeling would have turned strongly and even violently anti-foreign. The Chinese radicals and the Russians set a trap for the foreigners, in the hope and even the expectation that this end would be achieved. The foreign authorities avoided the trap by moving straight forward along the path of what has been called the "policy of conciliation" It took courage and far-sighted statesmanship to see that this was the wiser course. Events since, however, amply have demonstrated its wisdom.

Almost a full year has passed since the incident occurred. Only recently, however, have developments brought the situation to a state in which it is possible to secure a settlement which will be essentially fair to everyone concerned. Reports indicate that a settlement is being negotiated, at least as between the British and the Nanking authorities. Presumbly the terms agreed on between these two will serve as the model for subsequent settlements between the Chinese and the Amerinan and Japanese authorities respectively. To judge from the actions and statements of the British authorities for a year and more, this first settlement is likely to be essentially fair and based on the actual equities of the situation.

It would be a most appropriate gesture if the agreement between the British and the Chinese authorities at Nanking could be completed in time to be signed on March 24, the first anniversary of the original incident.

The American and Chinese Officials who Negotiated a Settlement of the Nanking Incident

Mr. John Van Antwerp MacMurray, American Minister to China who came to Shanghai for the Purpose of Negotiating a Settlement of the Nanking Incident.



Mr. Hwang Fu, Minister of Foreign Affairs of the Nationalist Government.

Mr. G. Zay Wood, Chief of the Bureau of American and European Affairs in the Nanking Government.

Mr. E. S. Cunningham, American Consul-General, at Shanghai.

Acting under definite instructions from the Department of State at Washington, Mr. John Van Antwerp MacMurray, American Minister to China, initiated conversations with Mr. Hwang Fu, Nationalist Foreign Minister, about a month ago when Mr. MacMurray first arrived in Shanghai for a tour of the Yangtsze Valley. After Mr. MacMurray's departure for Hankow and Chungking, the details of the settlement were worked out by Mr. E. S. Cunningham, American Consul-General at Shanghai and Mr. G. Zay Wood, Chief of the Department of American and European Affairs in the Nanking Foreign Office. When Mr. MacMurray returned to Shanghai last week he held another conference with Mr. Hwang Fu and the documents were initialed for final signature, the negotiations being concluded on Thursday, March 29. Mr. MacMurray had originally intended paying a visit to Nanking to participate in an official ceremony incidental to the reopening of the Nanking American Consulate, but for some reason this ceremony was deferred. Mr. J. Hall Paxton, American Consul at Nanking is proceeding to Nanking shortly to resume his duties.

HOW IT FEELS TO BE AN "EQUAL" IN CHINA

A PROMINENT German merchant in Shanghai recently was asked by the writer of these lines to explain briefly the differences which exist now in the relationship of Germans and the Chinese in comparison with conditions which formerly prevailed when Germany was a party to the old treaties granting foreigners a special position in respect to Chinese courts. The German explained that from the standpoint of personal relationships with Chinese, it had been necessary to completely revise one's personal attitude toward the Chinese whom he met in his daily business and personal contacts. In other words he instinctively felt the necessity, or rather the extreme desirability, of treating all Chinese with consideration due to the desire of avoiding complications. While the Germans were always more or less devoid of the so-called superiority complex and tried to meet the Chinese on a basis of equality, there was not present the feeling of necessity in that regard which prevails now. In other words politeness has become a necessity where formerly it was a voluntary function. From the standpoint of business relationships, the loss of special treaty position had made it necessary for Germans to constantly strive for closer relationships or contact with Chinese customers. While in the old days the Germans followed the compradore system of dealing with Chinese, they can no longer depend upon a compradore or Chinese agent or "middle-man" for their contact with customers nowa-days. They feel the urgent necessity of keeping in the closest possible touch with customsers, actual and potential, and in many cases have entered into actual partnership arrangements whereby their Chinese business associates share equally in the profits of business transactions. Now there is a very great desire to see that every business transaction proves satisfactory to both parties to the deal, customer as well as seller. The German merchant explained, of course, that German trade had always been built up on this principle of service to the buyer of German products, but that while it was voluntary before, it was now considered a necessity due to the fact that since Germans are subject to Chinese law they cannot any longer look toward their home government or consular courts for protection in case complications develop over trade deals. On the adverse side he stated that the greatest complication which Germans now experience is in obtaining prompt payment of accounts. Where previously it was always possible to force payment through the German consular courts, this is an impossibility today and Chinese often take advantage of the fact to delay payment of accounts, knowing well that the German firm will hesitate a long time before resorting to legal action. He explained, however, his belief that this situation will adjust itself when all foreigners in China are on the same basis. Now there is a tendency on the part of a certain type of Chinese merchant to take advantage of the position of the Germans in respect to the Chinese courts, an advantage which the Chinese would not think of taking if the foreign merchant had special treaty protection. While most Germans are quick to tell you that Germany has definitely renounced imperialism and that the Germans have no political interest whatever in China, there are still a few Germans who look back longingly to the days when it was possible to summon a gunboat when some Chinese official attempted to play fast and loose with German interests. But while a few still think of the "good old days" of the Empire and the "Little Piece of Germany" around Kiaochow Bay, the attitude of the German Republic is quite different. Sometime ago when the Nationalists became wrought up because some German firms were alleged to be selling arms to their enemy, Marshal Chang Tso-ling, and threatened to close up three of the leading German business houses here, the German home government was quick to disavow responsibility and remind the Chinese that Germany no longer had control of her citizens residing in China who are now subject to the Chinese courts. Then a few days later came the news that the Reichstag had passed a regulation forbidding the export of arms to China. Generally speaking the Germans are happy over their new status of "equality" in China and it is seldom indeed that one hears of a German getting into complications in the Chinese courts. Some Germans will tell you that while they resent the "unequal" position in which they are placed in comparison with other foreigners who still have special treaty rights, that they believe the time is coming shortly when all foreigners will be subject to the Chinese courts and when that day comes the Germans will be miles ahead because of the experience which they have had in adjusting themselves to new conditions in China,—an experience which the Americans, Englishmen, Japanese, French, Italians and a few other nationals still have in front of them. Of interest in connection with this subject is the following which recently was contributed to the *Manchester Guardian* by an Englishman,

> At the end of the war Germany had to abandon all her special rights in China. Apart from territory she was forced to give up extra-territoriality, the right to send warships all over Chinese waters, the right to hold concessions, and so on. China found that Germans in her country were like foreigners in every other country—like Chinese in Great Britain, for example.
>
> Now, to anyone who is familiar with the arguments of most foreigners in China there ought only to be one sequel. All the Germans in China would have to go elsewhere, as it would not be safe for them to stay one moment in that country without special rights. First, they would lose every case brought up before a Chinese court. There would be no chance to make their businesses compete successfully with Chinese firms, since the latter would always have the courts on their side in any litigation whatever. There would thus be no security for German trade. Secondly, they would have to live either in other foreign countries' concessions or in Chinese territory. They would see their own former concessions falling to pieces under a hopeless Chinese administration, and they would be powerless to interfere. Thirdly they would never be secure from day to day against arbitrary imprisonment and would on no occasion get a proper hearing before a Chinese court. Lastly, they would always be open to mob attack wherever they were, as they would have no gunboats to protect them. Can anyone imagine a worse state of affairs? Yet this, one hears every day in China, is what will happen to British subjects if Great Britain gives up any of her special rights in China, and this, it is to be supposed. is what happended to German subjects when Germany gave up hers.
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> **The Crash that Failed to Come.**
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> What actually did happen? First, in 1924 there were 2,733 Germans living in China, or rater more than the number of Frenchmen living there in the same year. Secondly, German trade owing to the war received a tremendous setback all over the world, in China as much as anywhere else. But in 1923—32,000,000 taels' worth of German goods were sent to China, while in 1924 this amount had increased to 38,000,000 taels, an increase of over 18 per cent in one year. (It was nearly 46,000,000 taels in 1926.) Thirdly, Germans are living mostly in their own former concessions, which, it is admitted on all sides, are being quite well run by the Chinese. Fourthly, though it is difficult to find statistics as to the number of Germans who have been arbitrarily imprisoned, tortured, or unfairly treated by Chinese courts, it would appear from the number of Germans remaining in China that it cannot be very large. Finally it may be asked, have the Germans in China suffered anything corresponding to the British at Nanking?
>
> But some people will say that there is a difference between the position of the British in China to-day and

that of the Germans before the war; that the Chinese have more of a grudge against the British than they ever had against the Germans. Let us examine the facts. Before the war the Germans were considered Imperialists, just as the British are now. They had extracted the Kiaochow territory from the Chinese as reparation for the murder of two missionaries in an out-of-the-way province. They sent their gunboats up the Yangtsze just as we do now. One little incident shows the pre-war German's standpoint in China. Some soldiers were using a certain pagoda on the banks of the Lower Yangtsze from which to snipe at passing ships. A British ship had been fired at several times, and had made formal but ineffective protests to the local Chinese authorities. The German flagship of the Yangtsze came by soon afterwards and was fired at from the same pagoda, whereupon the Admiral ordered her to turn straight back, and there and then blew up the pagoda.

These were, then, the people who were losing their special rights and were to be left to the tender mercies of the Chinese people. Yet in spite of all they had done before the war the Germans are being, as far as one can see, perfectly fairly treated by the Chinese, and they have had none of the "incidents" which the countries which still have special rights are for ever experiencing. During the recent troubles in Ichang (a treaty port 1.000 miles up the Yangtsze) only two foreigners stayed on. One was a British subject who was "well in" with the local Chinese Government, and the other the one German inhabitant of the town. And it has been the same all up the river; everywhere Germans stayed on while nearly every other foreigner evacuted,

Why is this? The writer of this article submits it is because the Germans are now on an equal footing with the Chinese in China. They have lost their rights and are now subject to the laws of the country they are living in, just as foreigners in every other country.

S. M. C. POLICE SLAM THE CHINESE PRESS!

CAPT. E. I. M. Barrett, Commissioner of Police in the so-called International Settlement, apparently does not like the attitude of the Chinese press on either local or national questions, if one would believe what he says on that question in the annual report of the Shanghai Municipal Council, his attitude on this question apparently coinciding with the views of Mr. C. H. French, Chairman of the American Chamber of Commerce, regarding the American newspaper correspondents in China. Mr. Barrett's views on the Chinese press, as they appear on Page 55 of the annual municipal report for 1927, are as follows:

"The Chinese press seldom publishes constructive editorials which may help readers to form an enlightened opinion on national or foreign affairs. In general their policy seems to be to influence people by adding suggestive comments to reports of incidents of national importance or news directed against foreigners or foreign authorities. Since the arrival of the Nationalist armies in Shanghai the Chinese newspapers seem to have abandoned any pretence hitherto made to independence. They have published and up to the end of the year were publishing war reports as well as articles containing anti-foreign propaganda, in which facts and statements were distorted. They have been particuliably unreliable in their reports of proceedings at political meetings when the figures of the attendance are usually grossly exaggerated. The Chinese newspapers today serve as an excellent medium for mendacious reports and propaganda much of which is directed against foreigners or the foreign authorities."

To judge from Capt. Barrett's views as expressed in the foregoing, the Chinese newspapers should keep quiet about such things as May 30 incidents and Shameen shootings and thus prevent these incidents from becoming matters of national interest. Furthermore, in his opinion the Chinese press should support the attitude of the foreign authorities of the Settlement on such questions as Chinese representation on the Council, Chinese admission to the public parks which are supported largely from taxes paid by the Chinese residents and finally he apparently believes the Chinese editors should be "independent" and oppose the Nationalist program for treaty revision. Furthermore Capt. Barrett believes that the Chinese newspapers exaggerate the attendance at Chinese political meetings, their figures apparently not coinciding with the figures supplied to the Shanghai Police Department by Capt. Barrett's private detectives which he sends to all political gatherings in this district. In short, Capt. Barrett's indictment of the Chinese press constitutes one of the best compliment to the growing strength of the Chinese press that we have yet read!

WHEELS, RACE-TRACKS AND GREYHOUNDS!

THE *North-China Daily News* a few days ago published an article attacking certain gambling houses popularly known as "Wheels" which are alleged to be in operation in Shanghai. The article stated that these gambling places "undoubtedly have a bad influence in the community" and that the Diplomatic Corps should bring pressure to have them closed up. It is alleged that these so-called "Wheels" ars being protected by certain Latin consuls, otherwise the Mexicans, Spanish and Portuguese. This is an excellent suggestion, but while the Diplomatic Corps is investigating gambling institutions protected by the Latin consuls under their extraterritorial rights, we would also suggest that the Corps investigate into Race-Track and Greyhound racing, both of which receive protection under British extraterritorial rights in China. Almost everybody in Shanghai, and this includes the Chinese of both high and low degree, are now putting up their good money for "Champion Sweeps" tickets on the forthcoming spring races. The "A" sweep has 50,000 tickets sold and according to report, the "B" sweep will sell an equal number. This means $1,000,000, of which the Race Club keeps 20 percent and donates about 6 percent to charity. Then on top of this two Greyhound racing establishments are being promoted, one of which is capitalized at Tls. 350,000 and the other at $500,000. In the prospectuses of both these gambling enterprises the prospective shareholders were told that great profits were in prospect "because the Chinese would take to Greyhound racing with even more enthusiasm than did the people of England, etc," Shanghai is a wide-open town when it comes to gambling and many a round-the-world American tourist who has been looking forward to a little fling at Monte Carlo, changes his mind after he has left his roll of bills in Shanghai. We waste no tears over the tourist who loses his money because he is looking for fun and finds it and pays for it. But the same thing can't be said for the Chinese who have a natural weakness for gambling and very few of whom can afford to lose the money whether it's at roulette or on a China pony. If Gen. Chiang Kai-shek had a very small proportion of the money which will change hands at the Shanghai spring race meet, he could finance his Northern expedition and probably have enough left over to cut a big slice off the Chinese national debt. Furthermore we hate to see a British newspaper such as the *North-China Daily News* shedding crocodile tears over a few gambling institutions allegedly protected by the Latin Powers while ninety percent of the major race-track gambling institutions on Chinese soil are protected under British law, or are operated despite the law under British corporation regulations; whichever it is. By all means let's have a gambling clean-up in Shanghai but let us start at the top as well as the bottom!

SHANGHAI'S ANTIQUATED MUNICIPAL MACHINERY

THE annual meeting of Shanghai Ratepayers is announced to take place April 18. For the information of the uninitiated it may be stated that a "ratepayer" is "English" for taxpayer. Shanghai's system of government is unique. The greater part of the foreign population is disqualified from having any voice because they do not own enough property, or do not pay sufficient rent. The governmental system obtaining in Shanghai is a British inheritance of almost a hundred years ago, almost identical with the old New England system of the township meeting. Thus is one of the great cities of the world "run" in this twentieth century—by a select, small oligarchy which sits tight on its more than a half-century old privileges, and refuses to let go! The Chinese populace is entirely unrepresented, a state of affairs which is all the more anomalous, as a large proportion of the foreign voters derive voting power from land which is Chinese-owned, but which is registered at some foreign consulate, the foreigner in question being a mere figure-head. This subterfuge is made necessary by the antiquated Land Regulations, half a century old and of doubtful validity, which provide that no Chinese may own land in the Foreign (International) Settlement of Shanghai. Chinese own actually about three-quarters of the land in Shanghai, and they are able to prove this fact at any time as they have the title deeds (although in some foreigner's name and with the seal of some foreign consulate on them) in their possession, together with a document known as a deed of trust signed by the foreigner acknowleging that the land actually belongs to the Chinese holder.

About three weeks before the annual Ratepayers meeting is held the Shanghai Municipal Council issues a voting list of persons duly qualified to vote at the meeting. The list is divided into two categories: (1) the name of the person or firm or "interest" which is qualified to vote, and (2) "representatives." Let us explain how the "representative" functions. Suppose John Smith rents a few rooms for his business or occupies a house with his family, and pays as much as Tls. 500 a year in rent; he will be entitled to vote. If by chance John Smith will be away from Shanghai at the time of the meeting he will give his proxy to, let us say Sam Brown, who will then be John Smith's "representative", and will be entitled to vote at the meeting. But there are few "representatives" of this category. The majority of the "representatives" listed, and about every one in three voters has a "representative," get their power in this wise. Suppose ten, or fifty, years ago Tom Jones bought a property in Shanghai and has in the meantime retired, but considers his money well invested. He will then appoint a permanent "representative", usually some land agent or a legal firm. But as indicated previously, most of the land is really Chinese, and a legal firm which specializes in this Chinese registration business—let us take a specific example— the British legal firm now known as Hansons is able to acquile considerable voting power. Years ago this firm was known as Hanson, Mc Neill & Jones. Hanson's today are entitled to a vote for the group of Chinese who registered twenty years ago under the old firm name. Going back to the time of the original founder of the firm and for each change of name of the firm since, Hanson's today are entitled to an additional vote for each group of Chinese which registered under the successive changes of the firm's name, as they are considered as separate interests. G. H. Wright, a member of the present Hanson firm is listed as the "representative" of each group, and in case of a disputed vote on a show of hands Mr. Wright can "poll" one vote for each "interest" he represents. The Hanson firm has been taken as an example because it is one of the most prominent of the proxy holders. There are scores of others of less magnitude.

The quorum requirements for holding the annual meetings are very liberal. One-third of the ratepayers present or represented shall be considered a quorum, and this has been inteprated to mean that, provided a quorum is present to start the meeting, it shall be still considered a lawful meeting throughout, no matter how many of the ratepayers many leave after the meeting has once started. To recapitulate: There is a total of about three thousand votes, or as they are listed, "names", the majority of which are actual present-day foreign residents. But many are old, dead and gone "imterests", and of course one must not forget the vast amount of Chinese owners of land whose identity is buried in the offices of the several score of land agents and legal firms who specialize in this registration business. Many of the "interests", as already mentioned, possess a "representative", sometimes the same "representative" holding in his hands proxies for a dozen or so of "interests". The result is that when a ratepayers' meeting actually gets down to business, there are usually less than a thousand in attendance. A majority vote of those present is sufficient to pass legislation. Before the meeting is half over usually about half of those present leave, so that towards the end of the meeting the resolutions are passed (or rejected) by a mere handful of ratepayers. *Thus is the voice of the Shanghai Ratepayers heard once a year!* For the rest of the twelve months the nine foreign Municipal Councillors, whose actions are largely influenced by the recommendations of an expensive and very numerous staff, run things pretty much to suit themselves. Naturally, under such circomstances, the upwards of a million Chinese inhabitants, many of whom have huge property interests at stake, are insisting that their voice shall be heard. Like with most other things the Municipality is malingering as regards the admission of Chinese to the Council and generally to allow them to take a hand in controlling Municipal affairs. But the result will be that one of these days, or years, there will be another explosion similiar to or even greater than the May 30 incident.

Since the above was written announcement was made that arrangements have been concluded between the Chinese Ratepayers Association and the Shanghai Municipal Council; whereby the former accepts the Council's previous offer to have three Chinese Councillors, but in addition six Chinese are to be allowed to join the eleven various committees of the Council.

THE WORK OF DR. FREDERICK WELLS WILLIAMS

WORD has just been received of the death of Dr. Frederick Wells Williams, emeritus professor of Oriental history at Yale University, which occurred last February at New Haven, Connecticut. Dr. Williams was born at Macao on October 31, 1857 and was the son of Dr. S. Wells Williams, veteran American missionary in China who is chiefly known for his book, "The Middle Kingdom," a survey of the geography, government, literature, social life, arts, and history of the Chinese Empire. which, while written many years ago is still considered by students to be a

Is Britain Unwilling To Settle Nanking Case?

BY C. Y. W. MENG

IT is deeply to be regretted that just at the time when the Nationalists were about to establish themselves in Nanking, there occurred the Nanking Incident, in which some foreigners were killed, some were wounded, and their properties looted. It is even more to be regretted that this unfortunate incident, which occurred about a year ago and which should have been settled long ago, is still pending, not because of any difficulty in reaching a conclusion, but rather because no steps had been taken to effect a conclusion of the case.

Though the case is left unsolved, there is something we are gratified at—that is, the anxiety on both sides for a speedy settlement of the case. From the side of the sufferers they have not pressed aggressively for a settlement of the matter by using aggressive methods. From the side of the Nanking Government, they have been anxious to settle the case ever since the occurrence of the incident. General Chiang Kai-shek is even ready to postpone his departure to Hsuchowfu pending a settlement of the case. General Ho Ying-ching said that General Chiang is the moving factor in the Nanking Government for the settlement of the incident. "General Chiang insists that the incident be settled as soon as possible so that he can occupy himself exclusively with the compaign against the North," said General Ho in an interview with journalists in Shanghai.

No Expedition Until Case Is Settled

Although full preparations have been made by the Nationalist military authorities for the launching of the new expedition against the North, no actual move will be made until after a settlement of the Nanking incident, such primary importance does General Chiang attach to this dominating feature of his Government's diplomatic affairs!

The Nationalists are anxious to settle this case for two reasons: First, as the Nationalist Government now governs three-fourths of China proper, it is not wise for her to leave this case unsolved. Secondly, it has always been the policy of the Nationalists to solve all the outstanding problems existing between China and any of the Powers, clarifying, as far as possible, all the misunderstandings, and removing, as much as possible, all the obstacles, so as to put the trade between China and foreign nations in a more profitable position, and to base the existing friendships, not upon sentimentality, but rather on mutual understanding, mutual help, and mutual good-will.

That the British are also anxious to settle the case is shown by the stay in Shanghai of Sir Miles Lampson, British Minister to China, who was the one negotiating with the Nanking diplomats for the settlement of the case. That the British are anxious to settle the case is probably because the British have realized that their prestige in China and their trade with China have both declined considerably since the Nanking Road tragedy in Shanghai, in 1925, due to the bad feeling aroused among the Chinese. As a means to restore the former friendship, it is wise for them to take no more aggressive steps, but on the contrary to be as conciliatory as possible in effecting a conclusion of the case.

The British Demands

The demands from the British side are: Apology, reparations, and punishment of the offenders. The demands from the Chinese side are: Some reference be made to the firing at the city by the British men-of-war and a statement of the British Government's readiness to proceed to the general revision of treaties. As to the first two of the British demands, they have been complied with, as the Nationalist Government had already expressed their regret and some of the offenders had already been executed after the establishment of the Nationalist Government in Nanking. As to reparations, both sides have agreed to form a commission of inquiry into the question of damages that were suffered by both sides. Sir Miles Lampson acknowledged the necessity of including the last two points in the negotiations. So, the negotiations went on smoothly.

While we had every confidence that the case would be settled, and complete arrangements were made in Nanking to welcome the British Minister to the capital for signing the agreement, a fresh instruction from London instructed Mr. Lampson *not* to include the last two points in the negotiations, and Mr. Lampson, acting upon his instructions, at once fled north without even giving time for the Nanking diplomats to have the poposed last conference. Thus, the negotiation of the case was completely broken off.

It is to be recalled that while the foreign nationals were attacked by the offenders in Nanking, the British men-of-war in port replied by machine gun fire, which resulted in a loss of Chinese lives and damages to the city a hundred times greater than that to the foreigners. Then, the question arises, whether the firing upon the city, which was supposed to be based on the doctrine of "self-defence," was justified or was excessive. Every layman will at once realize that the attack upon some foreigners and the firing at the city are but one question. It is a crime to attack the foreign nationals, but it is equally a crime against humanity to fire by means of machine gun at an unarmed mob and unguarded city, resulting in the loss of so many human lives. The attack of foreigners and the firing at the city both constituted the Nanking Incident. Then, why should there be two separate negotiations for one incident?

Revision of the Treaties

As to revision of the treaties, it is to be noted that the Nationalist Government is merely taking the chance to ask the British Government to give a definite statement as to her readiness to proceed to general revision of treaties. It is apparently certain that the primary motive for settling the case is to improve the friendship between the Chinese and the British. But if the Nanking case were settled without going into the deep root of the trouble, Anglo-Chinese friendship could not be cultivated, and at any rate a friendship depending upon sentimentality, without being based on mutual understanding, mutual help, and mutual good-will, will not last long. Mr. Lampson realized this. As the British are anxious to make friends with the Chinese, it is wise for them to make firm the foundation of the friendship. It is rather a golden opportunity for the British to regain the favor of the Chinese by being the first to make a definite statement of their readiness to proceed to the general revision of the treaties, which is bound to be followed by the other powers. Further, in view of the repeated declarations of China policy made by the Secretary of Foreign Affairs of the British Government, namely that the British are always willing to meet the Chinese more than half way, we say it is not difficult for the British to make more definite and clearer their statement in the present negotiations.

In conclusion, we say there is no reason why the last two points should not be included in the negotiations. That London at last instructed her Minister not to include these two points, thus breaking down the whole negotiations, gives rise to the presumption that the British are not sincere in their declarations, and that the British, in opening negotiations with the Nanking Government, had their own motives, probably to purposely delay the departure of General Chiang to Hsuchowfu; or to put it in other terms to cause a delay to the northern expedition, so as to give the northern warlords with whom the British have always much affiliations more time to prepare for a fresh offensive in the coming decisive battle with the Nationalists.

Shanghai, March 27, 1927.

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standard work. Dr. Frederick Williams assisted his father in the writing of the revised edition which appeared in two volumes in 1913. Dr. Williams received his education at the Universities of Gottingen, Berlin and Paris and first joined Yale University as assistant librarian in 1883. He also served as literary editor of the *National Baptist*, but in 1893 joined the Yale faculty as instructor in Oriental history, a position which he held until 1925 when he retired. Like his father, S. Wells Williams, he was also a writer on Chinese subjects, among his best known books b ing, "Life and Letters of S. Wells Williams," "Chinese Folklore," "Problems of Chinese Immigration in Farther Asia," "China and Japan," "Relations Between the U. S. and China," "Anson Burlingame and the First Chinese Mission to the Foreign Powers," etc. Then in addition to his work in the University, he also served as chairman of the Board of Trustees of Yale-in-China University at Changsha, Hunan province, The following letter of appreciation of the work of Dr. Williams was written to Mrs. Williams by Dr. Sao-ke Alfred Sze, Chinese Minister to the United States:

"Born in China, Professor Williams always kept in touch with the land of his birth. Every Chinese student that went to Yale University during the last thirty or forty years was sure to find in him a sympathetic friend and wise adviser. His unfailing interest in Yale-in-China contributed in no small measure to the carrying into China of the best that America has to offer in the way of education. With those who in years past had the good fortune of coming into contact with his winning personality I now join in mourning the loss of a great friend and lover of China, and extend to you my heartfelt sympathy in your bereavement."

Trying to Solve the Chinese Puzzle

The following which appeared recently in the New York World was based upon four recent books dealing with the Chinese situation, "China: Where It Is Today and Why," by Thomas F. Millard; "China, A Nation in Evolution," by Paul-Monroe; "The Chinese Puzzle," by Arthur Ransome; and "What's Right With China," by Dr. O. D. Rasmussen. The review was written by Wm. McFee.

A few evenings ago the movie houses showed a news reel from China. We saw a city in ruins, destroyed by Northern armies. We saw soldiers on guard, sand bags and wire. We had a close-up of a "Soviet agent" and his family about to be deported. And then we saw, very briefly, Chinese soldiers hurrying other Chinese to execution. And one client, at any rate, wondered why these fascinating events in far-off China are shown so hurriedly, so inconclusively and with such foolish, uninforming captions.

It is plain from a reading of these four books that we shall have to get some clear conception of what is happening in China if we are not to be carried away on a swirl of lying propaganda. We have, in fact, to be inoculated against the point of view of "the Old China Hands," who live in what Thomas F. Millard calls "the citadels of standpatism." The exiles, who make up the foreign population of the concessions in the treaty ports, have not come out well in recent events. To speak the plain truth about them, they are not to be trusted on the subject of China. They know as much about China as a beachcomber in Buenos Ayres or Valparaiso knows about Latin America. They are even less dependable as representatives of the public opinion of their own lands. They have evolved a school of thought in which they figure as the sole repositories of wisdom concerning China. They have a contempt for the Chinese, a dislike of other white nations and a cantankerous bitterness in their attitude toward their home Governments. If they are allowed to stampede us into armed intervention in China they may easily bring about another World War.

In none of these books does "the Old China Hand" receive much consolation. He is told with refreshing candor that he is a victim of what foreign correspondents call "Shanghai-itis." His point of view was expressed in Rodney Gilbert's book published in 1926, "What's Wrong With China." Mr. Gilbert's intentions were good, but he only revealed the nakedness of the Old China Hand. And he has evoked from Dr. O. D. Rasmussen a vitriolic counter-attack which cannot be dismissed as the half-baked views of a transient tourist.

Dr. Rasmussen, born in Australia of Danish and English parents, resident in China from boyhood and educated at the University of California, is not only a professional man and the historian of Tientsin, but an athlete and sportsman. And he handles Rodney Gilbert and the Old China Hands with athletic vigor. His book comes to us from Shanghai. It begins with a tornado of righteous wrath over the way the Chinese have been traduced and swindled, settles into a steady gale of invective and ends in a comparatively calm atmosphere of elucidation. For us at a distance the book would gain in value if the author showed more self-control. But those who have read Gilbert's blandly-patronizing volume will forgive Dr. Rasmussen's generous outburst. He is supported by Arthur Ransome, Paul Monroe and Thomas Millard in his principal theses.

Prof. Monroe of Teachers' College, Columbia University, has produced a larger, more comprehensive and more judicial work. It is, in fact, a short but adequate history of modern China. It gives the reader a background upon which is drawn the confusing but not incomprehensible drama now being played out. Dr. Monroe also finds occasion to point out that Mr. Rodney Gilbert's "What's Wrong With China" must be taken with a lot of salt. There is in it, he says, "scarcely a word of appreciation." Dr. Monroe is frankly sceptical of the Old China's Hand contention that the Chinese are a race of inferiors, like children, Kaffirs or Indians. He thinks the Chinese, owing to their somewhat lengthy cultural pedigree, might be trusted to evolve a stable government of their own. Everybody, except the Old China Hands, believes this. We are not afraid of Soviet infiltration.

China will have to become bourgeois and capitalist before Communism can have any meaning for the Chinese. Borodin, the present Communist adviser of the Nationalists, expresses the same views. Borodin is only doing for the Chinese what the British had a chance to do. Borodin also tells the Old China Hands frankly that when they pay as much attention to the Chinese as they do to their racing ponies they will do more business with China. Sun Yat Sen, the founder of modern China, turned to the British for aid before he sought it from Moscow.

Arthur Ransome, a distinguished English observer, was sent by the Manchester Guardianand Baltimore Sun to get the truth about China. His little book is a masterpiece of compression, illumination and sound judgment He does not tell the whole story, but it is an honest story; and, as Mr. Lloyd George says in his foreword, "He provides certain clues," which help us to discover some solution of the problem. He allows the leaders of the Kuo-min-tang, or People's Party, to speak for themselves. He is under no illusions concerning the ineffectiveness of much of their pretensions, but he does make clear with convincing candor that China, as Philip Guedalla dryly expressed it, is inhabited by Chinese, and the strong-arm methods advocated by the English and American residents of Shanghai are disastrously unwise when applied to a people led by men educated in our own universities. For the business man who has not time to read all these books, Mr. Millard's "China—Where It Is To-Day, and Why" is the best bet. As official adviser to the Chinese Government through a number of international conferences, Mr. Millard has an inside view of the present chaotic mess. He is wise and candid. Unlike the Old China Hand, who is hopelessly disillusioned about the Chinese and has no cure for China save intervention on a large scale, Mr. Millard thinks both China and the world will continue to struggle on even if the ex-territorial rights be completely abandoned. He analyzes with fatal results the arguments of the die-hard Legationists. We discover that like die-hards everywhere, they are the victims of a state of mind They are as difficult to argue with on the subject of ex-territoriality as are Southerns on the subject of color.

Conference at Jerusalem Discusses Internationalism

The meetings of the International Missionary Conference at Jerusalem continue to attract world-wide attention. Two hundred Christian leaders from forty different countries are in attendance. The meeting is unique in the proportion of representatives present from so-called mission lands. The China delegation includes fourteen Chinese Christian leaders, one Norwegian, two Americans, one Canadian, one Irishman and one English lady. The China delegation, with eight representatives from Japan, left Shanghai February 21. The Council is holding its meetings on the Mount of Olives, loaned by a German Mission. The main topics under discussion include: the Christian Message, Religious Education, the Relation between the older and Younger churches, the Task of the Christian Church in relation to Industrial Development and Rural Needs. The Conference started March 24 and will continue until Easter Sunday, April 8.

Speaking at one meeting Bishop Temple of Manchester said that hitherto the fundamental divisions of the Christian Church had been due to geographical, not to doctrinal reasons, and therefore it was necessary to take care lest the movement towards national churches in India, China, Japan and elsewhere led to a separation of Christians. He expressed the opinion that it would be preferable to have international denominations rather than separate national churches

Dr. David Yui, speaking at one of the sessions on the situation in China said that what Russia sought in China was not communism but a system of effective propaganda of power and terrorism. China now realized that Russia was not disinterested in offering her friendship; yet while their economic, social and international problems remained unsolved communist propaganda was attractive to the Chinese masses. Dr. Yui was of the opinion that the character produced by Christianity was the best factor in the building up of a new, democratic China.

Noted American Engineers Visiting Orient Next Year

Engineering leaders from all parts of the United States held a conference in Washington on March 22 and voted to accept an invitation from Japan to attend the World Engineering Congress which will be held in Tokyo next year. The engineers while in Washington were the guests of Tsuneo Matsudaira, Japanese Ambassador to the United States. Herbert Hoover, Secretary of Commerce was guest of honor and Dr. Elmer Sperry of Brooklyn, N. Y., was elected chairman of the Committee which will have charge of the trip to Japan. The Japanese Ambassador in a speech before the gathering expressed appreciation of the decision of the American engineers to visit Japan and declared that much of Japan's progress had resulted from Western, particularly American engineering genius.

The World Engineering Congress is tentatively scheduled for October 30, 1929 in Tokyo, according to Kozo Shibuya, secretary of the Engineering Society of Japan, who has charge of the arrangements. He has announced that the Japanese Government has decided to appropriate the sum of Yen 150,000 covering the expenses of the meeting.

Britain's Fresh Chance In China

BY H. WILSON HARRIS

(Reprinted from the London Daily Mail)

Not being scientific, I have never understood that queer optical effect produced by telegraph wires alongside a railway track. You are travelling in the train and looking at the wires. Instead of keeping level, they soar up and up till suddenly a post appears. Then down they come with a jerk, to start soaring just the same till the next post comes along and starts them once more at scratch.

China to-day seems to me rather like that. No living man can pick his way through this welter of civil war, distinguish war lord from war lord, follow the marching and countermarching, interpret the victories that mean retreat and the defeats that mean advance, or make head or tail of the whole business. It goes on soaring like the telegraph lines into the unknown. And then, periodically, you make an effort. Something outstanding happens. Or you meet some one who really knows. Or you want to write an article about China, and that means examining the patient again and taking his temperature and putting it down on paper. To go back to the old simile, it is the telegraph post bringing the lines back within vision again

The Spirit That Wins

Who is winning the actual war in China I cannot pretend to know even now. But what is winning is perfectly clear. Nationalism, self-consciousness, a resolve to assert what China thinks her rights against all the world if need be, is dominant throughout the South and latent, to put it at the lowest, throughout the North. China awakened is a reality to that extent. I know that declaration can be challenged. Old China hands can prove conclusively that China never changes. And they would convince you completely if you could not see with the naked eye that China has changed and is changing. You could demonstrate that France under the Louis never changed, or Russia under the Tsars. Thousands of old French hands were no doubt saying that in 1788. And thousands of old Russian hands certainly were in 1916.

And whoever comes out on the top in the civil war, or whether in the end the settlement comes by compromise, not victory, it is essentially the South that embodies the ideas of the new China. It is a South, moreover purged largely of Russian domination. Why the South first turned to Russia is an old story. She did not turn that way till she had turned in vain to better quarters first. But the essential fact about the Russo-Chinese partnership was that while the Russians thought they were using the Chinese—as an instrument in the world-revolution—the Chinese thought they were using the Russians —as an instrument in the Chinese revolution.

Soviet's Mistake

The last word has lain with the Chinese. The Soviet Russians—whom agitated Cabinet Ministers in Whitehall regard as the most dangerous propagandists on earth—are in fact the crudest, and in the long run the least successful. They have failed in everything big outside Russia yet, and it looks as though they had failed definitely in China. Some have been sent packing homewards, and some have stayed in China because their heads had become detached from their bodies. The slogan "China for the Chinese" was never intended to mean "China for the Russians."

The result is a new opportunity for Great Britain. We have had enough mud slung at us in China in the last twelvemonth to last a lifetime, but our policy has been sound and unprovocative, and nothing has been said or done to prevent reasonable Chinese from turning back to us in the end and concluding that, with all its faults, there is something in Great Britain you can count on. It looks as if that were really happening, and if it is, a great deal of credit belongs to Sir Austen Chamberlain, who more than a year ago, by his memorandum of December, 1926, committed Great Britain to a moderate and wise policy in China and let all the world know it. Unfortunately, not all China knew it, nor anything like all China.

Turn of The Tide

The local English papers of the Treaty Ports, notably Shanghai, are the chief vehicles of British views for the educated Chinese, and the Treaty Port Press is about as successful as 20 Soviet agents in stirring up anti-British feeling in China.

Nevertheless, as time has passed, the spirit behind that memorandum has made itself felt. To that extent the situation is easing. But one important step should be taken at once. As things are, Great Britain is officially in touch with only one of the rival governments in China, and that one the wrong one. There are two governments that count, at Pekin and at Nanking. The Hankow Government has disappeared, and that at Canton is relatively local in its sovereignty as things go in China. But the Nanking Government embodies that nationalism, now a little tempered by experience and disillusionment, that is the essential mark of the new China. And Great Britain has no contact with it.

New Contacts Essential

In sending Sir Miles Lampson to China, Sir Austen Chamberlain deliberately stripped himself of one of the ablest and sanest of his colleagues in the Foreign Office. It was an admirable appointment. But Sir Miles is in Peking, and the essential China is at Nanking. Chang Tso-lin, who controls the Northern Government, may achieve temporary military success, but it is the ideas centred at Nanking that will conquer in the end. Somehow, officially or unofficially, formally or informally, a responsible British diplomat ought to be sent forthwith to Nanking and kept there. If precedent is needed—which it emphatically is not, for new situations call imperiously for new methods—the despatch of Mr. O'Malley to Hankow to negotiate with Mr. Eugene Chen a year ago would supply it. That is only a first step. Something further is required to convince China of the fundamental goodwill of this country towards her. It might be possible to recognise the Southern Government on condition it recognised the existing treaties and instead of damning them, discussed them. But to allow it to appear as though we talked only to the North and deliberately cold-shouldered the South is fatal tactics.

A Reply

In reply to the suggestion of Mr. Harris that the Nanking Government should be recognised, Mr. John Duckworth, M. P., wrote:—

Our "chance" in China has long existed. It is that, in conjunction with the other Powers interested, we should offer to China our good services in helping them to reach a settlement of the apparently interminable Civil Warfare.

I am not quite sure whether it is the right policy to recognise—as Mr. Wilson Harris suggests we should recognise—the Southern Government before the Chinese themselves reach some working agreement. In that case, we might be merely intensifying our difficulties and repeat the situation which arose through the recognition of the Southern States in the American Civil War by some of the European Powers.

I am, however, convinced that the Foreign Office is anxious to help in any way to bring about more settled conditions in the Far East, and I should be glad to see it take its courage in both hands and go one step further in the direction I have mentioned.

The Attack on Hoover's Record in China

The *Congressional Record*, official report of the debates in the U. S. Senate and House of Representatives, on February 28, 1928 contained a reprint of charges which had been made in certain political circles in the United States upon the activities of Herbert Hoover, Secretary of Commerce, who is now a leading candidate for the Republican nomination as President of the United States. The report in the *Congressional Record* consisted of a reprint of an article from the Greensboro, N. C. *Daily News* referring to Mr. Hoover's record in China at the time to the Boxer uprising and also a reprint of the decision of the London High Court, Chancery Division before Mr. Justice Joyce, which appeared in the *London Times* on March 2, 1905. This case was entitled, "Chang Yen-mao v. Moreing and Others," and concerned the complaints of certain Chinese regarding the organization of the Chinese Engineering and Mining Company, a British company which was formed prior to the organization of the Kailan Mining Administration. Mr. Hoover, who had previously been a mining adviser to the Chinese Government, was interested among others in the formation of the Chinese Engineering and Mining Company. The foregoing material was printed in the *Congressional Record* upon the request of Senator Lee S. Overman of North Carolina. A discussion of the political attacks which have beeen made upon Mr. Hoover's record while he was in China, appeared in *The Review* on March 31.

Union Club Proprietary Holds Annual Meeting

The annual meeting of the Union Club Proprietary, Ltd. was held in Shanghai March 27. J. L. Wilson, acting president, presided, supported by T. H. R. Shaw, T. G. Drakeford, V. G. Lyman, Chun Shut-kai and K. McKelvie, secretary. The balance sheet for the year showed a credit of Tls. 1,285.95, which added to the balance carried forward from last year, made a total of Tls. 4,987.92. The Chairman stated that in the course of three or four years the Proprietary would be able to declare a yearly dividend of six per cent from interest earned on investments, not taking into consideration any profits earned from the Union Club.

Alien Ownership of Land in China

BY CHEN KWAN-SOON

ONE question in Sino-foreign relations that is not generally well-understood is the question of the renting and purchase of lands by aliens in China. The rules regarding such (1) renting, (2) permanent lease-hold, and (3) purchase, as laid down by treaties, it is to be noticed, vary with:

1. The locality of the land in question, and
2. The profession of the prospective renter or purchaser.

Non-missionary Aliens

If the person concerned is not a missionary by profession, but a merchant or manufacturer, he can (1) rent lands in, and only in the Treaty Ports, of each of which the foreign Concessions form only parts, and (2) lease in perpetuity only in the localities assigned for foreign residence, or, in other words, in the Foreign Concessions. But (3) the right of purchase is, legally speaking, absolutely denied him.

Individual Missionaries and Missionary Bodies

Foreign missionaries are generally conceived to have greater freedom than the non-missionary foreigners in the renting and purchase of lands in this country, but, as a matter of fact, mere *individual missionaries* enjoy no more treaty rights in this respect. It is only the *missionary bodies* as represented by them, that enjoy the following special privileges:

1. Interior lands—Missionary bodies, churches for example, can rent and lease in perpetuity lands not only in the Treaty ports, which include the Concessions, but also in the Interior.

2. Purchase—Moreover, missionary bodies have been, for a certain reason which will be explained later, allowed to purchase lands both in the treaty ports and in the interior, or virtually, in all parts of China.

Permanent Leasehold and the Concessions

The inaccuracy of the common conception regarding this question lies first, in the lack of discrimination between renting and permanent leasehold (i. e. leasehold in perpetuity), and secondly, in extending the area of the region over the limit within which permanent leasehold is allowed. Thus one writer on China's treaty obligations says vaguely that in general aliens in China, though limited in the right of acquiring property in Chinese land, can usually lease it in perpetuity, although permanent leasehold, as indicated in the above, is allowed only within the Concessions.

The term "leasehold in perpetuity" was not mentioned in the various treaty clauses respecting this question until 1903, when the United States and China contracted a commercial treaty containing the following clause:

> "Citizens of U. S. A. may frequent, reside, and carry on trade in all the ports or localities which are now open or may hereafter be opened to foreign residence and trade, and *within the suitable localities at those places* which have been or may be set apart for the use and occupation of foreigners, they may rent or purchase houses, places of business, and other buildings *and rent and lease in perpetuity land* and build thereon."

As the terms "suitable localities" refer to nothing other than the Concessions, it is evident that permanent leasehold cannot be acquired beyond them, though ordinary renting is permitted in the other parts of any treaty port. Still, in reality, permanent leasehold is found in Swatow and some other treaty ports which have no concessions. But the right of leasehold is questionable.

Missionary Bodies

That missionary bodies can purchase lands in the interior is a general conception, but without treaty foundation. The verdict of the Supreme Court in 1920 that "foreign church authorities, by virtue of some special treaty provision, are allowed to buy lands" is, in the opinion of a prominent Chinese publicist, erroneous, for no treaties give foreign church authorities more right than that of renting and permanent leasehold in all parts of China, except the French Treaty of Tientsin of 1858, and the said provision appears only in the Chinese text of that treaty. Article VI of the Chinese text ends in:

便自造建地田地"買"租會各國中在土教國法任地

The word "purchase" is believed to have been surreptitiously inserted by some French missionaries then serving as interpreters in the making of that treaty; and as it does not appear in the French text which was agreed upon to be the authoritative one in case of discrepancies, there is no reason to consider it effectual, though, owing to the fact that the Chinese Government has raised no objection thereto, it has become an established ground to foreign missionaries for land purchase in China.

In Practice

Such are the general rules formed upon treaty basis. But as the Chinese Government, while granting no lawful permanent leasehold outside the Concessions and authorizing no purchase whatever, has, on the other hand, never taken up the matter so seriously as to explicitly prohibit such leasehold and purchase, so, in practice, as is well known, unauthorized land transactions have often taken place.

Conditions in Other Countries

Such a practice of refusing aliens the right of land purchase may, in some cases, evoke the question of its justification, but in this country, it has an obvious political and economic significance, political in preventing the extension of extraterritiorial rights, and economic in safeguarding the people against the dangers of a superior economic force.

Even in highly developed states such as most of the American states, Germany, Sweden, (Norway) British, Australian and African possession, etc. strict restrictions are placed upon land purchases by aliens. Japan also, in 1910 promulgated laws, (1) entirely prohibiting aliens from purchasing lands in Saghalien, Formosa, and Hokkaido, the northernmost island of her territory proper, and (2) necessitating official permission in case of lands in the other parts of the Empire.

Hence, although the Austrians and Germans have lost their extraterritoriality status since the War, the freedom of land purchase is still denied them.

Peking, March 24, 1928.

Frank S. Williams Takes Over China Trade Act Registrations

Frank S. Williams, recently appointed Registrar of the China Trade Act by the U. S. Department of Commerce, has arrived in China and taken over control of the office which is located in the Dollar Building in connection with the office of the U. S. Trade Commissioner. Mr. Williams is a native of the state of Mississippi and was graduated from Millsap College at Jackson, Miss., with the degree of Bachelor of Science in 1910.

Mr. Frank S. Williams

Mr. Williams is already familiar with China, having arrived at Canton in August 1911 where he served as instructor until 1914 when he was appointed a member of the faculty of Soochow University, Soochow, Kiangsu. In 1918 he resigned and joined the staff of the American Trading Company and from 1919 to 1927 he served as manager of the American Trading Company and A. W. Olsen, Inc., at Tientsin.

While in Tientsin, Mr. Williams served as president of the Rotary Club and of the Tientsin American Chamber of Commerce and was Chairman of the Board of Trustees of the Tientsin American School. He entered the service of the U. S. Department of Commerce on December 5, 1927 as Registrar of the China Trade Act and was later designated as Trade Commissioner in charge of the Shanghai office. Mr. Williams is married, his wife and children having accompanied him to Shanghai.

Japanese Fleet Makes Extended Cruise

The combined Japanese fleets, comprising a total of eighty ships in command of Admiral Kato, steamed out of their naval base in Kyushu Island, on the morning of March 29 for a month's cruise. The third squadron, consisting of three cruisers arrived in Shanghai April 2, and is scheduled to leave April 7 for a cruise up the Yangtsze as far as Wuhu. The first battle cruiser squadron consisting of 16 vessels proceeded to Hongkong. A destroyer flotilla and a number of submarines called at Formosa and will eventually visit Amoy. The fourth battle cruiser squadron is visiting North China ports, including Dairen.

Nationalists and the China Merchants S. N. Co.

BY PAUL K. WHANG

The recent taking over of the management of the China Merchants Steam Navigation Co. by the Nationalist government has created a great sensation among the people who are either the stock-holders of or merely have an interest in China's biggest navigation Company, inasmuch as that Company has been known as a private business enterprise. To the conscious observers who are well versed in the corrupted state of the Company, this governmental control is deemed necessary and advisable. But those who are apt to suspect any gestures of the government might mis-interpret its present motive and entertain the idea that the government will control the Company permanently. For the people of the latter class, the writer has prepared this article with the intention of making the stand of the government clear to the public.

In America as in Europe, we find that oftentimes the government has come out into the open to take control of a private business enterprise, when the company in question has not been conducted on a sound basis, and its failure will affect the interest of the general public. This governmental interference is based on two reasons: First, it intends to provide the service and accommodations to which the public has been accustomed; and, secondly, it accords the protection to the small-holders, while the big stockholders have monopolized the company and turned deaf ears to any change in policy and administration. When the nature of the business is of public utility, and when its management has been featured with corruption and mal-administration, the government can not be a looker-on all the time without any action.

Stopping the "Squeeze"

Actuated by these motives, the Nationalist government deems it fit to put the China Merchants Steam Navigation Company under its direct supervision. This action naturally spells a great shock to the big stock-holders of the Company, inasmuch as henceforth they will not be able to enrich themselves and their friends by "squeezing" and providing sinecures for their friends and relatives. In order to preserve their 'status quo', they have left no stone unturned to obstruct the progress of the governmental control, if not openly but secretly, and spread the rumor that the government will take the Company for its own.

As a matter of fact, the government has not the least idea to hold the control permanently. To tell the truth, the government would not even interfere with the doings of a commercial enterprise, if not pressed to do so by the far-sighted stock-holders of the Company, who realize that if the Company does not undergo a wholesale reorganization, its end is only a matter of time, and that so long as the control is under the self-centered directors, the introduction of any slight change in the organization is a matter of impossibility. In order to preserve their lion's share, they have no other ways to resort to but governmental help.

In response to this call, the government reluctantly took hold of the control of the Company, with a determination of saving this sinking ship by re-organizing the Company in accordance with the present needs, and with an intention of turning over the management to the old stock-holders as soon as this ship is sailing on the smooth sea once again. The governmental authorities know very well that business can not be mixed with politics,and that no governmental enterprises can be conducted successfully for years. As a rule, the failure of many a governmental enterprise lies in the frequent change of the personnels of the administration. With the constant change of hands, no man of experience can stay on the job very long, and no work of improvement can be carried out. The Nationalist chiefs are not unaware of this situation, and they will be much more willing to hand back the management to the old stock-holders than when they first took hold of it.

Abolishing the Sinecures

Under the new management, the China Merchants Steam Navigation Company has undergone a great reorganization with the co-ordination and re-division of different departments, the abolition of sinecures, and the changing of the ships. As to the details of the plan of re-organization, they will be left for discussion in my other articles. Among all these reforms, four plans have already taken shape, and they are:

(1) All the ships are put into running condition;

(2) The date of arrival and departure of every ship is fixed strictly in accordance with the schedule, and any unnecessary delay during the voyage is reduced to minimum;

(3) Berth and accommodations will be improved, so that the best service can be accorded to the passengers. As customary, the passenger has the difficulty of getting a berth without first bribing the cabin boys of the ship which he happens to book. This case is true in every ship, whether it is under the British flag or under the Japanese flag. The management of the C. M. S. N. Co. realizes this evil practice, and has the honor to be the first one to tackle it by strictly prohibiting this practice hereafter;

(4) No contraband is allowed to be loaded on the ship.

The above-stated are only some of the many reforms. All hose who are interested in the future of China's biggest avigation company will undoubtedly pin great hopes on the new administration under the auspices of the Nationalist government. It is up to the personnels of the new administration to show to the public what they can do in conducting the ship safely across the dangerous sea. Undoubtedly they will be confronted with a herculean task in reforming and re-organizing the old but corrupted company. I sincerely hope that they will co-operate together to put a united front in upholding China's biggest navigation company.

Shanghai, March 29, 1928.

Baptist Mission Issues Report on Living Costs in China

A report on the cost of living issued by the American Baptist Foreign Mission Society shows that the cost of food, fuel and service, generally throughout China have risen since 1920 by about 70 per cent, and living costs are still rising. The result has been that a considerable number of missionaries have been facing the question of their financial ability to remain in the service.

The report was prepared by a Committee on the Cost of Living, composed of J. E. Moncrieff, A. E. Upford, and E. H. Clayton, and they recommend certain increases in salaries, not only to meet the increased cost of living to date but to cover the probable increases during the next few years.

Heretofore single men have been receiving $200 per year more than single women. On this point the Committee says that it cannot see why a single man should get a higher salary than a single woman, and therefore the Committee's recommendation is that they should both receive the same salary, namely $1,000 a year:, married men (less than 15 years on the field) to have their salaries raised by $400, making them $1,-750. Married men, 15 or more years on the field, receive $100 per year more. The Committee also recommends an increase of about $100 per year above the present schedule for each child.

The rising cost of living in China affects not only missionaries, but everybody, and the general public will be interested in some of the items of increase which the Committee has included in its report. The starting point of 1920 was taken, as that was the year in which the present schedule of salaries and allowances came into operation. First of all Shanghai. Baking powder, which cost 75 cents per tin rose to $1.60 in 1927; Golden State butter from $1.90 to $3.00; American cheese from 60 cents to $1.00 per pound, oatmeal (4 lbs) from 95 cents to $1.45; "Ivory" soap from 20 cents to 35 cents.

The Baptist missionaries are grouped into East China, South China and West China. The Committee considered that the average costs were practically the same in all fields. Taking South China as an example, investigation showed that local food supplies had all risen in price with the exception of sugar, which had dropped from 12 cents a pound to 10 cents. Flour had risen from 5½ cents a pound to 12 cents, and the average run of vegetables from 3 cents a pound to 10 cents.

New Trans-Pacific Freighter Service

The American Mail Line, which operates passenger and cargo ships from Seattle to the Orient, has announced a new trans-Pacific freight service between Puget Sound ports and the Orient. The first boat of the service, the Melville Dollar was scheduled to leave Seattle for Shanghai on Sunday, April 1. The company will dispatch two cargo ships a month to the Orient, one going to North China and the other to South China and the Philippines. The ships to be used on the service will include the Melville Dollar, Stuart Dollar, Stanley Dollar, Diana Dollar and Margaret Dollar and three others, all being of the 10,000 ton class. W. T. Goodwin of the Robert Dollar Company, Shanghai, will have charge of the new service.

Huge Bean Crop Being Moved in North Manuchuria

Last year's bean-crop in North Manchuria is estimated by the South Manchuria Railway Co.'s Harbin Office at 2,320,000 tons. Of this amount, 1,022,000 tons had been shipped by the railways up to the end of February while 1,298,000 tons were still at the centres of production.

New Gibraltar To Rise In the Far East

(Reprinted from the New York Times)

BUILDERS have just finished the 50,000-ton floating dock which the Admiralty ordered for the Singapore naval base. Early in the Summer, probably about May, when the dock's electric installation has been completed and its sinking and lifting capacities have been tested, it is to be towed out of the Tyne in two sections and turned southward toward the Straits of Dover on its 8,500-mile journey to Singapore. Meanwhile, its site at Singapore is far from ready. At present it has not even attained the status of a hole in the ground. It is still a Malayan swamp into which a lone dredger is slowly chewing its way.

But there will be ample time to get the site ready before the dock arrives to occupy it. Towage of this sort is the most difficult of all sea jobs. To handle a structure which covers an area as big as a football field, so mighty that it could accommodate more than 60,000 people standing between its steel walls, is a task calling for masterly seamanship and unending anxiety. Storms excepted, the most anxious part of the entire trip will be the passage of the Suez Canal, where there will be a dangerously small margin to port and starboard. There will be no risk of grounding, but a very serious risk of touching the banks. Canal traffic will have to be stopped while the dock creeps toward the Indian Ocean at a speed that cannot exceed a mile an hour.

Very few firms anywhere in the world are capable of handling a long towage job of this sort. It may be that there are British firms equal to it, but the Admiralty apparently thinks otherwise, for the contract, it is said, is to be awarded to the Dutch firm, Smit of Rotterdam, which has an international reputation for this kind of work. It also is said that the Smit firm proposes to tow the dock in two sections, the whole structure intact being too unwieldy to be handled. At least eight tugs are to be used and the journey, it is estimated, will take from three to four months. A considerable marine and engineering crew will be towed with the dock and will live in its steel walls.

Completion of the electric installation which will operate the finished dock will take a month or more. One portion of the installation alone involves the connection of more than 100 miles of cables. Swan, Hunter & Richardson, the builders, have accomplished a record feat in completing the great dock within eleven months of laying the first keel plate. Before the war they built an 11,000-ton dock for Stettin in seven and a half months and they also have to their credit the 33,000-ton dock for the Medway near London, but the new Singapore giant beats all their records. It has been built and launched in seven sections. Twenty thousand tons of steel and 3,500,000 rivets have gone into it, the rivets being worked into it at the rate of 140,000 a week.

A Site in the Jungle

When the dock reaches Singapore some time in the Fall it will be towed "up a creek," as the naval expression goes, and left there. A dredger and four hopper barges are at work preparing its site in the jungle, which will be the only part of the naval base proper that will be ready. Three miles away from the main base and divided from it by the Sabawang River, the airdrome is already nearing completion. Five-sixths of its 600-acre area was cleared and the two hangars and slipways were finished by Feb. 1 to accommodate the four big seaplanes which left Plymouth for Australia last year and on their return from Australia are to be based permanently at Singapore. But except the airdrome and the site for the floating dock the Singapore naval base will still have a paper existence next Fall. All the work thus far started is little more than the prologue to the gigantic engineering feat of the base itself.

There is ten years' work ahead of the firm which eventually obtains the contract for this imperial defense scheme. The men now at work are only pioneers blazing a way in the jungle for the multitudes of workers who will come after them. Working in the midst of mud, bush, barren clearings hemmed in by mangrove swamps, with a few odd bits of railway line, some coolie hutments and erratic streams wandering aimlessly, they are having their little difficulties. One of them is to find a cobra coiled neatly on top of the papers on the desk when the engineer returns to the only bungalow within miles at the end of a hard day's encounter with the jungle. Another is to lay a beautiful road through the wilderness only to find it immediately devastated by an army corps of land crabs burrowing upward to the sunshine.

The Future of the Base

It requires the imagination of a real estate agent to picture the base as it will eventually be, with its huge oil depot containing six months' supplies for the fleet, its armament depot, its graving dock and its floating dock, each capable of accommodating the biggest battleship afloat; its workshops, its slipways, its wireless station in constant touch with London; its airdrome and its town of European bungalows and barracks for the population which will ultimately take root there. It requires much more than the imagination of any real estate agent to picture the ultimate effect of this projected Gibraltar of the East on the problems of the Pacific.

At present the nearest fully equipped base for the British fleet is Malta, in the Mediterranean, about 6,000 miles away. The perhaps more vital naval station of Hongkong is 1,500 miles to the north, but it lies within the sphere defined by the Washington agreement, and its further development is therefore impossible. The distances are so great that to talk of defending Australia from Singapore is a little like talking of the defense of England from Cape Town, but the Singapore project has nevertheless been voted by Britain and the dominions. Once a mere geographical expression, Singapore is acquiring new meaning in the British mind.

The projected base is not in Singapore itself, but about fourteen miles away on the other side of Singapore Island. There are a naval coaling station and depot in Singapore harbor, and further batteries and forts have been installed there since the war, but the new base is to be tucked away up the old strait which cuts off Singapore Island from the Malayan mainland. At its narrowest point the old strait was only half a mile wide, but it was closed five years ago by the causeway which carries the railway from Singapore city to the mainland towns. The old strait has never been used by big ships. The main route from the Mediterranean to the Far East lies through the Straits of Malacca and the Singapore Strait off the outer side of Singapore Island, and so into the China Sea.

The site of the projected naval base lies east of the causeway on the old strait. Here the strait is something over a mile wide, but so shallow that dredgers will have to bring the sea inland before battleships will be able to reach their projected base. All this side of Singapore Island consists of pulpy marshland with wandering streams everywhere. There is a small hamlet at the island end of the causeway, but with that exception there is no town anywhere on the island except Singapore itself. Back from its shores much of the island is under cultivation, but along its shores there has hitherto been nothing but jungle and swamp, steamy and hot but hardly as dark and impenetrable as is usually supposed.

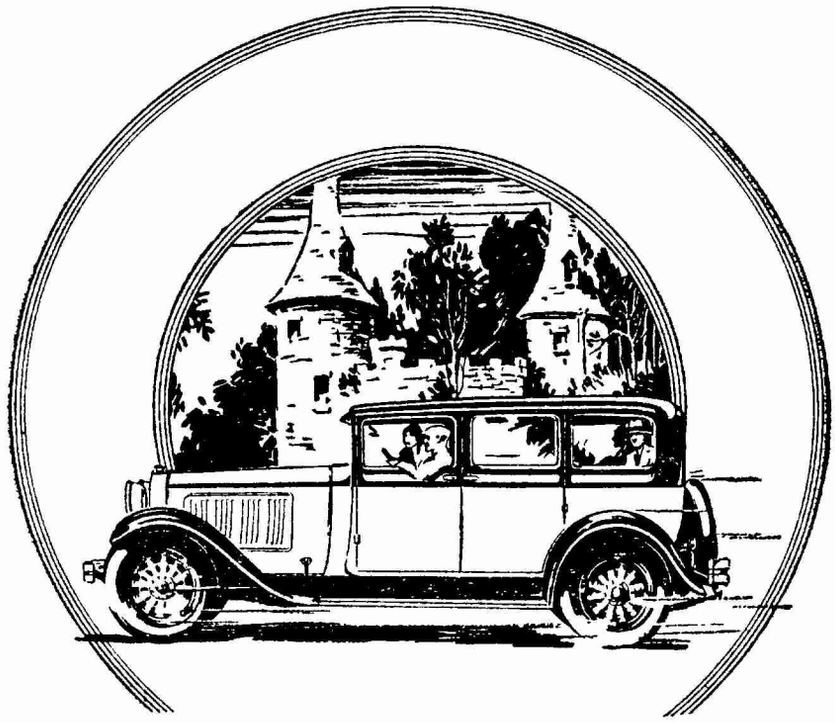
At present all that exists of Britain's Eastern Gibraltar is a huge and expanding open space. Standing in the middle of it today the sea cannot be seen, and an optimist with the vision of an Old Testament prophet points out where the new seawall is to be built along the entire front of the base, but all that can be seen now is an interminable stretch of more or less dry land. The entire face of nature will have to be changed. The sea will have to be brought inland up the old strait, one of the rivers which at present wander aimlessly into the strait will have to be diverted to a new channel, the whole area will have to be networked with roads and railways—and then the gigantic engineering feat of the great base itself, a ten years' job, will begin!

As for fortifications, these not only do not exist at present but they are not even referred to except in discreet whispers, for Australians and New Zealanders, whose Governments have contributed to the scheme, have been known to become visibly worried at the discovery that a naval base means 15-inch coast defense guns as well as docks. But among the engineers on the spot there is perhaps less interest in these outside matters than in the immediate matter of getting the Sabawang River bridged to connect the naval base and the airdrome, and there is certainly less interest in bridging the river than in draining the main clearing and getting rid of the omnipresent mud.

The Color of the East

All the kaleidoscopic color and the wealth of human interest which is lacking in this dreary spot are to be found fourteen miles away in the City of Singapore, whose name the naval base is to bear. It is undoubtedly the greatest trading centre of Middle Asia. Its wonderful harbor is filled with native junks and sampans laden with the tin and rubber of Malaya and with steamers laden with the silk, fruits, pottery and rice of China, the manofactured goods of Japan and the meat and wool of Australia.

East and West meet in Singapore's half-million population. Roughly twothirds of it is the overflow of overcrowded China, and of the remaining third a half is Malayan and the rest Tamil and other Southern Indian coolies of Europeans, Arabs, Armenians, Japanese and Sikh police. Its European community numbers about 5,000 and the naval base is a decidedly sore subject among them, for they feel that the Straits Settlements Government, under which they live, is being made to pay unfairly for its share in a scheme for which it should have no more responsibility than any other part of the British Empire.



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Patience Needed for China and the Powers

This report from the Boston Transcript deals with the eighth and last of the Lowell Lectures delivered last year at Harvard University by Dr. Stanley K. Hornbeck. At the time the lectures were delivered, Dr. Hornbeck was Professor of Oriental History at Harvard University. He is now Chief of the Far Eastern Bureau of the Department of State.

IN his concluding lecture in the course on China at the Lowell Institute, Dr. Stanley K Hornbeck, lecturer on history of the Far East in Harvard University, discussed last evening "China and the Powers," saying that the thing most needed today is a greater determination on both sides to be patient and helpful.

Three facts should be kept in mind, Dr. Hornbeck said, in studying the treaty provisions and the whole system which has arisen under the treaties, in regulation of the contact between the Chinese and foreigners: First, this system has developed not without cause and reason; second, whatever its faults, it exists; third, it cannot be abolished suddenly without working injustice and great hardship to a considerable number of honest, law-abiding, hard-working and progressive persons, both foreigners and Chinese.

It is unquestionably true, the speaker contended, that some of the provisions of the treaty system have become inequitable. It should be taken into consideration that the treaties afford the legal basis for the residence of some 10,000,000 Chinese in foreign countries and afford special protection to some 10,000,000 Chinese who reside in the foreign-administered areas of China.

China's Leading Complaints

Dr. Hornbeck named the complaints voiced by articulate China as primarily upon these matters: 1—The unilateral features of the treaty system; 2—Extraterritorial jurisdiction; 3—Tariff restrictions: 4—The existence under exclusively foreign administration of "concessions" and settlements. There was much to say in explanation, with Great Britain, the United States and France chiefly responsible for the initiation and development of the extraterritoriality provisions. The system became a sort of buffer, a shock absorber to ease in the Oriental countries the impact of the Occidental peoples.

"I do not find," said Dr. Hornbeck, "that the foreign Governments sought a privileged position for their nationals. They did not attempt to exempt their nationals from law; they sought to subject them to law. Japan and Siam reformed their legal systems and brought them into line with those of the Occident. Then, in those two countries extraterritoriality was forthwith abolished. China began twenty years ago to reform her legal system. But before she more than made a start, the revolution came on, political authority was destroyed, legal authority disappeared. The revolution continues. The work on the codes has been delayed; the task of training lawyers and judges and of creating competent and independent courts has been retarded."

"Foreigners, by clinging to their extraterritorial rights, by insisting that China's laws and courts must be made modern and effective before extraterritoriality be given up, are in fact, accentuating, facilitating and hastening the efforts of the Chinese to realize among and for themselves the day when the rights of the individual will be defined by law and be safeguarded by legal processes. The foreigners are thus literally forcing the Chinese to speed up the reforming of their administrative system.

Great Difficulties There

Attention was paid to the definite promise in treaties which Great Britain, the United States, Japan and Sweden made with China twenty or more years ago, that they would be prepared to relinquish extraterritoriality when the conditions in China warrant, and of the action of thirteen Powers, including China, in appointing commissioners who met in China in January, 1926, and investigated for nine months before making a report.

"This whole problem of legal reform in China is one which presents great difficulties," Dr. Hornbeck observed. "China's new codes are being based principally upon French and German models or Japanese adaptations thereof. The inevitable result has been and will be that they contain many provisions which are not an outgrowth of Chinese thought and experience, which are inconsistent with Chinese conception, habits, practices."

"Without question," said Dr. Hornbeck, "the extraterritorial system should be abolished—as soon as possible. Without question it will be abolished—when conditions warrant."

Taking up the third Chinese objection to the present treaties, on the question of the customs tariff and the administration of the customs, and explaining the rival contentions, Dr. Hornbeck spoke of the Washington Conference in 1922 when eight foreign Powers and China agreed by treaty that China's tariff rates should be increased and for that purpose a special conference should be held in Peking. It was pointed out that the concern of the American people with regard to the Chinese tariff relates to the effect of the rates of import duty upon 2½ per cent of the total American exports and the rules of the Chinese export duty upon less than 3 per cent of the American imports.

"No one any longer contends that China should remain bound to a fixed 5 per cent," the speaker said. "But there are difficulties attending the unbinding. There are five things, at least, which should be done by China before resumption of functions in the exercise of the rights of 'tariff autonomy,' China should have one government functioning effectively over a major portion of her territory; she should produce a carefully worked-out tariff law; she should take the trouble to complete the negotiations begun in 1925; she should produce a concrete, practical plan for the abolition of likin and should put its provisions into effect at some point; she should produce a concrete, working plan for the service of the natural debt."

Problem as to Concessions

As to the Chinese complaint relating to the administration of foreign "concessions" and "settlements," Dr. Hornbeck said that these are Chinese soil and that as a large share of their revenue comes from Chinese sources, the Chinese feel that they should have a share in the administration. They complain of the present arrangement, also, on the ground that the concessions frequently are used as places of asylum for fugitives. As the port of Shanghai offers an interesting study in jurisdiction and administration, the speaker explained the conditions at length, concluding with the words: "But destruction of the legal arrangements which have been made to regulate the contact between the foreigners and the Chinese in China, would not destroy the 'superiority, complex' either of the foreigners or of the Chinese—which is a very real thing on both sides."

Though Russia has claimed and has been given credit for great generosity as the first and only Power to have given up treaty rights, and for having done that on her own initiative, Dr. Hornbeck declared that in 1920 the Chinese Government itself divested Russia of various special rights and privileges. In 1924 the Soviet Russian Government concluded with the Peking Government a "preliminary agreement," the provisions of which consist for the most part of statements of principles which are to be followed later in the negotiation of a definitive treaty.

"This treaty has not been concluded," the speaker said. "But the impression, assiduously cultivated, has gone abroad that Soviet Russia 'voluntarily relinquished, in an 'equal and reciprocal' treaty, all special rights and privileges in China. Soviet Russia fools some of the people all the time and a good many people most of the time."

Dr. Hornbeck said the treaty Powers have begun negotiations for revision of the treaties, mentioning the Washington Conference, the restoration of Shantung to China, the removal of foreign post offices, negotiation of Weihaiwei and cancellation by most of the Powers of their rights to shares of the Boxer indemnity. Moreover, at Peking a real effort was made to solve the tariff problem, the extraterritorialty commission made an illuminating investigation and produced a substantial body of practical suggestions; the mixed courts at Shanghai have been turned over to the Chinese authorities, and the foreigners at Shanghai have taken steps toward admitting Chinese to participation in the government of the international settlement.

Position of the United States

The United States, possessing no concessions and no exclusion privileges in China, and having no treaty due for revision or determination, has not been confronted with such problems as those which the British and the Belgian Government have discussed, for the most part, with the Canton, Hankow and Peking Governments. The United States had a joint interest in the international settlement at Shangnai, and with regard to that, Kellogg has declared officially that the American Government is prepared to negotiate.

After mentioning the views of those who advocate intervention, or encouragement to one faction or another in China, Dr. Hornbeck said that the thing most to be desired is that the problems be handled in a manner such that the transition may be effected with a minimum of hardship.

"Abrupt destruction of the treaty fabric would be like performing a major surgical operation without having made provision for binding up the wound or taking care of the nervous shock to the patient," the speaker observed. "It would work great harm to several hundred thousand foreigners in China and to several million Chinese.

"Let the Chinese follow some leader, to victory. If, even while they are still fighting with each other, they will agree upon representatives whom their major contending factions will authorize and allow to speak for China, will any foreign Power refuse to meet them more than half way on the subject of international readjustments?"

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Last Season's Tea Season in China

BY "CENTROSOYUS"

THE tea men and the tea hongs being disappointed in 1926 did not have any great hopes for 1927, but the season just ended proved a succeful one.

The weather during the early spring had been good for the plant itself and also for the preparation of the leaf. But owing to the unsettled conditions of everyday life, many tea men did not go the hills to open their factories and some of the tea hongs refrained from sending money inland. Many groups of bandits of every description were still operating in the tea producing districts. Besides, the tea men did not forget that U.S.S.R. demands in 1926 weakened considerably and as the trade conditions in Shanghai and Hankow were shattered, everybody forecasted long before the beginning of the tea season that the coming crop would be very short.

Black Tea

In May it was known that only 258 tea factories opened in the tea districts as against 430 in 1926.

The first samples of the new season's tea from the Keemun and Ningchow districts reached Shanghai by the end of May and the market opened on June 6. The samples of Hankow tea reached Hankow in June and the market opened on June 25.

The quality of the Keemun tea was better than in 1926. The cup was strong and had the "full body", the leaf and the infusion (outturn) were satisfactory, but not as good as in 1925. During the season of 1926 there were many sour lots, but in 1927 there were many parcels which can be called: "dry tea". This happened because after the spell of fine weather in early spring, April was very hot and dry for the plants and the leaves became poor in sap and in this state they were manufactured into tea.

Ningchow tea had a rather mixed appearance—there were many tippy lots with the large quantity of stalks, stems etc., mixed together. The cup was strong, but not as delicate as it ought to have been.

Generally speaking, the Hankow teas of the season were a little better in quality than the same teas of the last year. Specially the tea from the Onfa district was attractive. Tow Yuns were not as good as usual; many parcels were malty.

By the end of June, or the beginning of July, the best Keemun and Ningchow teas were sold out and by the first week of August in Hankow and in Shanghai there were very few chops of the first crop left. During the second week of August the teas of the second crop were offered on both markets and Keemuns were not attractive, many lots were overfired, burnt, with a reddish mixed appearance. Ningchow teas were quite reasonable. In many cases they were more even than the first crop Ningchow teas, but the aroma and cup were poorer. The second crop teas of Hankow market had a usual bad appearance, many were badly twisted, "open leaf" tea; they were full of red leaves, stalks, stems, etc.; the crop was flat. The further arrivals of the third crop tea were normally poor and unattractive.

The Shanghai Market

From the beginning of the season till June 18 the Shanghai market was very active and firm. The buyers for London and the Continent made haste in despatching the two steamers which were lying in the harbor and several lots passed at the higher prices than the similar teas in 1926. During the second half of June the tone of the market was calmer and the prices were easier for good common teas. The lower grades were in good and brisk demand and the prices remained from firm to dearer. By the middle of July there was practically no stock of the high grade tea.

In Hankow the teamen asked absurd prices, the market was steady and firm and prices were about 4 taels higher than the prices of the same period of the last season. At the opening of the season the buyers for London and the Continent did not operate and when later some lots were purchased by these firms, the prices jumped from 4 to 6 taels up. The buyers for the U. S. S. R. took many of the best lots at reasonable prices and the market was active specially for the good medium grades. Lower grades were weaker on account of their rather poor quality and besides the reports from London and from New York showed that the stocks of such tea were large. In October the interest in the common grades improved.

The old season's Hankow tea of about 8000 halfchests were forwarded to Shanghai during this season and were sold at Tls 21½—24. A larger quantity of the old tea was settled at Hankow at the lower prices and the parcels for which the owners asked Tls.19, were neglected by the exporters because they were inferior to the low grades of this season's tea, which

changed hands at Tls.18. per picul.

Nothing special was noticed on the prices in Shangha Taels of Foochow market and the season passed practically in the same limits as in 1926. At the beginning of the season Foochow reported that the first crop was of the same size as of the last year, but the total figures indicate that the season was of about 10/12% larger than it was expected.

Green Tea

The samples of the green tea arrived by the end of May and the market was opened for Chun Mee on the 29th May and for the Hyson on the 7th June. The size of the crop was very near to last year's and the quality was quite satisfactory and in many cases better than in 1926. The outturn (the infusion) was not as bright as during the last season, the appearance of the dry leaf was not so attractive or not so well manufactured, but the aroma, taste and cup were, distinctly better and fuller than in 1926. Many parcels of Chun Mee of the high quality were overcolored and dusty. The country teas have been very attractive at the beginning of the season for fine and finest chops and the prices advanced as much as from Tls. 10. to Tls. 13. per picul. In September the prices declined owing to a decrease in the demand.

It was evident from the beginning that the buyers for Morocco will take a large quantity of the "well twisted" Chun Mee and they paid freely for many chops of fine make (appearance) up to Tls. 150, notwithstanding that the cup, taste and aroma were not up to the paid price. The Parsee buyers for Bombay and India took a rather small quantity of the green tea and paid good prices for small chops of fine make and appearance and sometimes their prices were from Tls. 6 to Tls. 8 higher than the prices offered by the other buyers. The market for green tea was very active up to the end of August when the demands from the Parsee firms and from Morocco buyers diminished and the prices came down by Tls. 5. or Tls. 6. and the market became quiet. The crop of Hoo Chow tea and especially of Ping Soey Tea, which usually finds a good market in U.S.A., was shorter and the quality of Ping Soey tea was much inferior to the last season's tea. A large number of Ping Soey lots was below the American standard, but the prices were firm and high because the tea-men early in the spring paid too much for the green leaf. For this reason the figures of export for the U. S. A. are smaller than the same figures for 1926. The market for the green tea closed for this year earlier than usual and at the beginning of December there was nothing on the market in stock that could attract buyers' attention.

Approximate Figures of the Distribution of the Tea Crop In China During 1927 By Buyers And In Halfchests (each halfchest—66lbs. nett average.)

	SHANGHAI.		FOOCHOW.	HANKOW	
	B. Tea & Dust.	B. Tea Dust	Green tea.	B Tea, Dust	Green
Centrosoyus.	181,114	76,000	108,449	18,000	31,000
Anderson & Co.	7,094	11,841	21,079	9,347	—
Campbell & Co.	15,731	11,471	36,687	—	—
Dodwell & Co.	2,511	3,088	22,492	12,550	—
Gibb Livingston.	—	4,650	3,640	4,903	—
Gilson & Co.	—	3,985	9,982	—	—
Heath & Co.	—	1,260	1,861	—	—
King, H. I., Ltd.	23,310	10,161	91,256	24,430	—
Jardin, M. & Co.	11,800	17,191	35,975	6,274	—
Siemsson & K.	1,330	3,263	2,572	13,502	—
Theodore & R.	1,529	2,078	532	—	—
Wisner & Co.	3,708	11,696	24,961	—	—
Bathgate & Co.	—	—	—	15,562	—
Brewster & Co.	—	—	—	12,536	—
Other firms.	621	1,610	7,199	9,368	—
Farsee firms.	—	1,528	13,947	—	—
Chinese.	33,315	6,285	37,431	7,610	10,000
TOTAL	282,063	166,107	418,063	134,082	41,000

Grand Total 1,041,315 ½chests

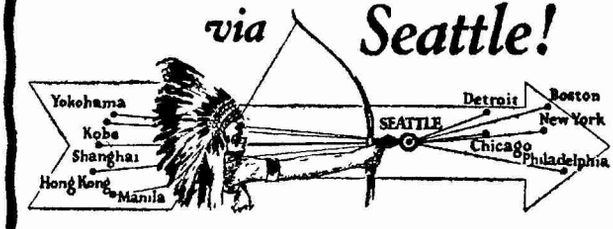
The total value of the 1927 export of tea was about Tls. 24,000,000. Russia took Tls. 9,000,000, America and Camada Tls. 4,000,000, and Great Britain Tls. 3,600,000 worth.

Dutch Steamer Ryndam to Repeat University Cruise

Advices from the United States are to the effect that Dr. J. C. Jones, president emeritus of the University of Missouri, will be president of the floating university which will leave New York September 19, on the steamship Ryndam for an eight months' cruise. A faculty and 375 men students will take this cruise.

The floating university will visit Cuba, Panama, Canal, Hawaii, Japan, China, Egypt, Philippine I'slands, Java, and India. Dr. John Pickard of the University will have charge of the art department of this travel school.

Your American Markets are More Economically Reached via Seattle!



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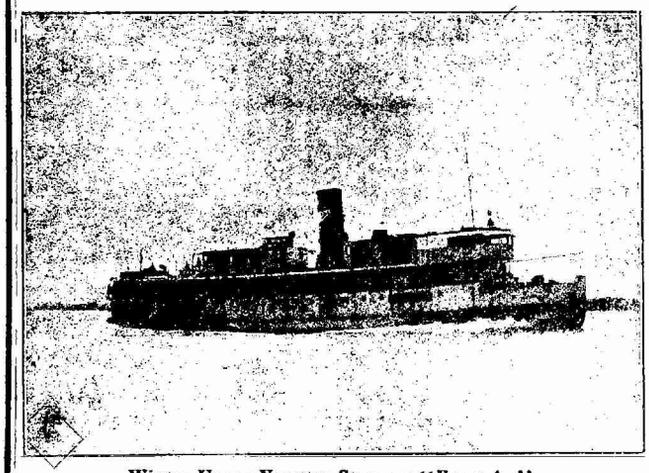
Two Dry Docks—Dimensions are

Name	Length on Blocks	Breadth		Depth on Sill
		Top	Bot.	
No. 1 Dock.....	545-ft.	70-ft.	62-ft.	20-ft.
No. 2 Dock.....	502- ,,	70- ,,	60- ,,	23- ,,

Sheerlegs to lift 75 tons.



Winter Upper Yangtse Steamer "Yung An"

On Trials—Speed 14.3 knots loaded.

153-ft. by 29-ft. by 8-ft. 6-ins. Draft 6-ft. 6-ins.

44-222

Shanghai-Nanking Railway Revenue In 1927

The following shows the monthly revenue in dollars of the Shanghai-Nanking Railway during the year 1927 as compared with that of 1926:—

Month		Passenger Number	Passenger Fares	Freight Tons	Freight Revenue	Other Items	Monthly Total
Jan.	1927	997,134	571,104	82,759	136,872	8,094	716,070
,,	1926	936,023	533,009	142,121	205,309	15,020	753,338
Feb.	1927	693,026	465,271	36,412	61,317	7,623	534,211
,,	1926	849,548	481,552	92,723	164,371	12,857	658,790
Mar.	1927	291,592	336,140	4,804	7,878	5,520	349,538
,,	1926	1,046,659	561,707	138,288	215,823	11,494	789,024
April	1927	434,477	400,147	9,907	54,674	6,542	461,363
,,	1926	1,076,235	486,352	147,320	247,833	12,625	746,810
May	1927	739,824	552,308	35,120	48,507	7,555	608,370
,,	1926	1,020,825	545,624	144,806	237,300	13,009	795,933
June	1927	823,113	521,958	104,301	183,781	8,374	714,113
,,	1926	919,614	468,819	157,654	286,001	11,056	765,876
July	1927	841,079	516,061	106,338	178,393	11,244	705,698
,,	1926	890,361	491,444	183,194	291,393	11,115	793,952
Aug.	1927	668,001	524,536	50,576	87,573	8,463	620,572
,,	1926	863,784	491,589	66,060	311,318	9,834	812,741
Sept.	1927	668,281	544,189	36,670	52,718	8,296	605,203
,,	1926	986,141	595,069	133,488	210,666	8,917	814,652
Oct.	1927	830,262	646,055	58,615	103,485	8,832	758,372
,,	1926	975,674	581,987	119,190	192,905	9,784	784,676
Nov.	1927	830,782	708,573	86,212	132,183	10,857	851,613
,,	1926	887,686	517,945	72,501	115,323	8,324	641,592
Dec.	1927	834,469	830,607	85,713	140,533	11,705	982,845
,,	1926	857,424	513,726	56,614	90,959	8,762	613,447
Total	1927	8,652,040	6,616,949	697,427	1,187,914	103,105	7,907,968
,,	1926	11,309,974	6,268,833	1,553,959	2,569,201	132,797	8,970,831

Shanghai-Ningpo Railway Revenue In 1927

The following shows the monthly revenue in dollars of the Shanghai-Ningpo Railway during the year of 1927 as compared with that of 1926:—

Month		Passenger Number	Passenger Fares	Freight Tons	Freight Revenue	Other Items	Monthly Total
Jan.	1927	297,223	363,705	29,030	43,077	3,711	410,493
,,	1926	450,791	254,103	84,385	119,756	5,479	379,338
Feb.	1927	167,277	195,631	6,693	11,081	3,567	210,279
,,	1926	425,261	243,331	43,096	61,121	5,400	309,852
Mar.	1927	178,157	117,857	8,026	10,810	3,458	132,125
,,	1926	578,109	318,312	89,008	130,137	5,940	454,389
April	1927	263,894	312,303	17,610	24,486	4,552	341,341
,,	1926	621,741	426,012	88,891	143,197	5,940	575,149
May	1927	400,277	307,034	46,724	77,741	4,418	389,193
,,	1926	532,910	348,504	94,556	146,934	6,375	501,813
June	1927	399,280	381,718	60,987	181,153	4,482	567,353
,,	1926	432,829	265,974	89,178	169,385	7,090	442,449
July	1927	387,986	295,559	72,980	140,217	3,410	439,186
,,	1926	429,464	270,983	86,561	143,521	8,376	422,880
Aug.	1927	352,337	345,857	44,858	81,952	3,036	430,845
,,	1926	422,055	273,300	65,753	102,157	5,640	381,097
Sept.	1927	421,799	295,364	53,055	93,254	2,965	391,583
,,	1926	478,671	307,098	70,808	115,092	7,120	429,310
Oct.	1927	392,075	417,765	58,625	100,582	5,217	523,564
,,	1926	395,236	248,003	61,674	92,832	4,299	345,134
Nov.	1927	377,662	294,960	67,232	115,947	3,967	414,874
,,	1926	403,919	204,136	54,492	88,195	3,460	295,791
Dec.	1927	345,951	294,773	65,613	115,653	4,050	414,476
,,	1926	313,324	306,435	38,300	58,544	3,074	368,053
Total	1927	3,983,918	3,622,526	531,433	995,953	46,833	4,665,312
,,	1926	5,484,310	3,466,191	866,702	1,370,871	68,193	4,905,255

Germany to Suppress Arms Traffic to China

The German Reichstag last week passed a bill which was introduced Dr. Gustav Stresemann, the Foreign Minister, forbidding the trade in weapons with China. Dr. Stresemann said that the German government was willing to collaborate for an international settlement of this question. It was incorrect, he declared, to say that Germany was one of the principal suppliers of arms to China. Weapons exported to China, he said, were mostly not of German origin but were sent through Germany, but the new law would prevent this.

Chinese Pilots Demand Equality With Foreign Pilots

Acting on a petition of the Chinese pilots' association, the Customs Administration Department of the Nationalist Ministry of Finance has, according to a *Kuo Min* report, sent an order to F. W. Maze, Commissioner of Customs at Shanghai, informing him that Chinese pilots should be eligible for admission into the Shanghai Pilots Association (now entirely composed of foreigners), as many Chinese pilots are competent to do the work. The petition of the Chinese pilots pointed out that under existing conditions only foreign pilots were functioning in Chinese waters, a situation which would not be permitted in any other country.

"The Port of Shanghai"—Whangpoo Conservancy Board

The Whangpoo Conservancy Board has issued a fifth revised edition of "The Port of Shanghai," in which the statistics contained in previous editions, of which the present Report is largely a reprint, are brought up to date. Below is given a summary of its principal contents.

Shanghai as a world port is remarkably privileged in that it is close to the estuary of one of the principal navigable rivers of the world, the water shed of which drains almost te half of China proper. In addition to its strategic position as regards central China, Shanghai also handles a great deal of the trade of North China. Tonnage statistics show that Shanghai is among the first eight ports of the world. It is situated almost equally distant from the manufacturing centers on the eastern seaboard of the United States and in northern Europe.

Shanghai, which is situated on the left bank of the Whangpoo twelve miles from the mouth of the Yangtsze, includes six areas, viz.,: The old City, Nantao (southern suburb) Chapei (northern suburb), Pootung (eastern suburb), the French Concession, and the International Settlement. The last two are foreign administered, the International Settlement being the larger and also controlling certain roads beyond Settlement limits. The four first mentioned were amalgamated in 1925 as "Greater Shanghai." The Whangpoo is being constantly dredged so that large ocean going steamers (the largest being the "Empress of Canada") can come up the river and lie alongside the wharves. The wharves are all private-owned, but there are a number of public pontoons for the accommodation of small craft.

The Whangpoo is lined on both sides with industrial establishments of a varied character. In addition to the numerous wharves, there are shipbuilding yards, dry docks, engineering works, cotton mills, cold storage plants, timber yards, oil stations, flour mills, waterworks, ice plants, soap and candle factories, etc. These industries are distributed among many nationalities, Chinese included, with British and Japanese predonimating. There are more than fifty shipping companies represented in Shanghai.

Owing to the keen competition between the shipping companies of various nations, the ocean service to Shanghai is moderately efficient, but on the other hand (to quote from the Report) the political restraints and the lack of modern equipment considerably reduce the terminal facilities.

Ships load and unload with their own gear. Steamers calling here are usually well equipped with gear, as they must be, as there are practically no wharf cranes in Shanghai or in most of the other Far Eastern ports. Cargo may be unloaded in Shanghai at the rate of 1,000 tons a day. This refers to the vertical movement. Horizontally, that is from the wharf edge either for direct delivery or for storage in the warehouses, the cargo is usually moved by hand and there is much room for improvement in this respect. The delivery over wharf-edge (bringing the cargo back to water craft for distribution) naturally reduces the efficiency of the wharves considerably. The horizontal movement of cargo is hindered at some wharves owing to the lack of pontoons and connecting bridges. On new wharves which are being built of concrete, travelling cargo cranes are provided, but these are intended for the use only of cargo boats and lighters, being too low to be used for steamers.

One reason, of course, why Shanghai up until this time has had so few mechanical appliances for the movement of cargo has been the cheap cost of labor, but lately the labor cost has risen considerably and there has now begun a general movement to introduce mechanical appliances.

The Report also gives information on the tonnage dues collected at Shanghai. These dues are collected according to an antiquated schedule (this statement is *not* from the report) which was framed in the early days of the port by local British shipping interests, which saw to it that their coast services should enjoy an advantage as compared with over-seas traffic. Tonnage due payments cover a period of four months, so that coast steamers can enter the port many times after making one payment, whereas steamers from abroad frequently have to make a payment each time they come to the Far East.

The Report has been issued by Herbert Chatley, acting engineer in chief. It is accompanied by an excellent map of Shanghai harbor compiled by E. C. Stocker.

Contraband Seized at Manila

One hundred tins labelled "Best Spirits of Wine" found on board the Columbia Pacific Shipping Company's freighter West Holbrook, were declared contraband and seized by the Customs officials at Manila on March 12, according to an article in the *Manila Bulletin* which stated that the tins apparently had been placed on the ship either in China or Japan. The merchandise was not entered on the ship's manifest.

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44-223

Who's Who in China

Dr. H. H. Chang

張 歆 海

(Chang Hsin-hai)

Dr. H. H. Chang, a native of Chekiang Province was born in 1898. He was first educated in a private school, and in 1915 he was graduated from the Public School at Shanghai. He went to America on a Tsing Hua scholarship in 1918, where he joined Johns Hopkins University intending to study medicine. After attending the first lecture in Organic Chemistry, he decided to give up medicine for a subject in which he was more interested, namely, literature. With a B. A. degree which he received in 1919, he went to pursue graduate study at Harvard where he obtained his M. A. in literature in 1920. Aside from familiarising himself with the more important European languages, he studied, what others perhaps among the returned students have not attempted, a group of dead languages including Anglo-Saxon, Middle English, Gothic, Comparative Philology and other linguistic subjects illustrating the development of the Indo-European languages. During his spare time Dr. Chang contributed articles for general magazines like *The Atlantic Monthly, The Yale Review, The North American Review*, etc. in America and the *Edinburgh Review* and The *Hibbert Journal*, etc. in England. He was invited to become a member of the Chinese delegation during the Washington Conference, and worked on many memoranda with Dr. W. W. Willoughby for the Delegation. After the Conference, he went back to Harvard to finish his doctoral thesis "Matthew Arnold and his Humanistic view of Life" for which he was conferred the Ph.D. in literature in 1922. During his tour of Europe, he was asked to be Professor and Head of the Department of English Literature at The Peking National University. In 1923, he was concurrently Professor of English at Tsing Hua College. In 1924, he was asked to be a technical expert at the Rehabilitation Conference under Tuan Chi-jui's regime and in 1925 he was asked to be adviser to the Customs Conference. A warm admirer of the British tradition of statesmanship where scholarship and politics are well blended, Dr Chang maintains his interest in education. In 1926, he became Head of the Department of Western languages and literature at the now defunct National Southeastern University.

He was married to Miss Rosalynde Han also at that time a professor of literature at the same university. Since 1927, he has been Vice-Chancellor of Kwang Hua University. Dr. Chang is a member of the American Accademy of Social and Political Science and a contributing Editor to the *Chinese Social and Political Science Journal* of Peking.

Men and Events

Miss Ann Dalmas of the staff of the U. S. Trade Commissioner in Shanghai, is spending a holiday in North China.

W. B. Wilson, American Vice Consul in Shanghai, has resumed his duties after a six months holiday in the United States.

Mrs. Guy C. Stockton is ill at the Shanghai Country Hospital. Mr. Stockton is connected with the Shanghai municipal schools.

C. V. Starr of the American Asiatic Underwriters departed from Shanghai last week on a business trip to Bangkok, Siam.

The Soviet Far Eastern Bank (Dalbank) has registered with the Nationalist Government and is thus officially permitted to transact business in China.

H. E. Morris, a member of the board of directors of the *North China Daily News* departed from Shanghai March 31 enroute to England *via* Siberia.

Sixty-three Japanese children born in the United States arrived at Yokohama recently on a Japanese steamer in order to receive their education in Japan.

An international exposition of Art in Trade was held in Boston, Mass., from March 5 to March 31. The Jordan Marsh Co, were the principal promoters.

E. F. Pimley returned to Manila end of last week after a three month holiday in Shanghai. Mr. Pimley is connected with the Commercial Pacific Cable Co.

Mr. and Mrs. J. Scott Emens departed from Shanghai for the United States March 31. Mrs. Emens was a former president of the American Women's Club.

Mrs. J. Warren Baldwin, wife of the proprietor of Squires and Bingham, departed from Shanghai last week on a four months holiday in the United States.

John R. Putnam, American Consul at Amoy, passed through Shanghai during the week to resume his duties, after returning from home leave in the United States.

Mr. and Mrs. Aubry departed from Shanghai March 31 for a three months trip to the United States. Mr. Aubry is connected with the General Motors Corporation.

The Rev. Carleton Lacy, secretary of the American Bible Society in China, departed for Los Angeles end of last week. Mr. Lacy was accompanied by his wife and two children,

The Rev. C. L. Boynton has assumed the editorship of *Community Service*, Dr. J. V. Latimer, secretary of the Community Churh, Shanghai, having departed for North China.

The Provincial Government of Honan end of last month issued a proclamation guaranteeing religious freedom and commanding the populace to protect the lives and properties of missionaries.

George McCarthy of the Robert Dollar Co. is expected back from Manila end of this week. Mr. and Mrs. McCarthy are scheduled to sail April 13 for a six months holiday in the United States.

Dr. R. E. Chambers addressed the congregation of Community Church of Shanghai on Sunday morning, April 1. Dr. Lacy I. Moffett will address the Community Church service on Easter Sunday, April 8.

Manufacturers and Products of Oregon is the title of a neatly bound volume of 266 pages issued by the Oregon Manufacturers Association. It is a very comprehensive directory of the products of said state.

Judge Finley E. Johnson and Mrs. Johnson passed through Shanghai end of last week enroute to the United States on furlough. Judge Johnson was a member of the Court of Enquiry which sat in Shanghai to investigate the May 30 incident in 1925.

The China General Edison Company, Inc., manufacturers and distributors of "G. E. Edison and G. E. Mazda" lamps, has established its own sales office at No. 6 Kiukiang Road. These products were previously distributed exclusively by Andersen, Meyer and Company.

Dr. F. B. Baldwin has returned to Shanghai after a year's absence in Europe and America and will engage in private practice. Dr. Baldwin was formerly medical director of the Asia Life Insurance Co., with which he still retains a connection in a consultative capacity.

(*Continued on page 180*)

In the United States Court for China

CARMEN LAKANILAW CASTRO, Plaintiff.
versus
FREDERICO CASTRO, Defendant.

Cause No. 3043
Civil No. 1279
ORDER.
Filed at Shanghai, China. March 9, 1928.

L. T. Kenake
Assistant Clerk.

ORDER.

The object of this suit is an action for divorce.

On motion of the Plaintiff, it is this 9th day of March, 1928, ordered that the Defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the day of the last publication of this order; otherwise the cause will be proceeded with as in cause of default.

MILTON D. PURDY
Judge

Dated at Shanghai, China.
March 9th, 1928.

In the United States Court for China

In re Estate of ROBERT MISHLER, Deceased

Cause No. 3047
Estate No. 674
NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of ROBERT MISHLER, deceased, to present the same with vouchers to the undersigned on or before September 20, 1928, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

N. F. ALLMAN
ADMINISTRATOR

c/o Fleming & Allman
Yokohama Specie Bank Building
Shanghai.

Shanghai, China,
March 20, 1928.

In the United States Court for China

ARTHUR HARRY BUSCHMAN, Plaintiff,
vs.
HESTER YATES BUSCHMAN, Defendant.

Cause No. 3046
Civil No. 1280
ORDER.
Filed at Shanghai, China, March 14, 1928.

L. T. KENAKE
Assistant Clerk

ORDER.

The object of this suit is an action for divorce. On motion of the plaintiff it is this 14th day of March 1928, ordered that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the day of the last publication of this order; otherwise the cause will be proceeded with as in case of default.

MILTON D. PURDY
Judge.

Dated at Shanghai, China,
March 14 1928.

In the American Consular Court for the District of Tsinan, China.

IN RE ESTATE OF Edythe F. Creamer, Deceased.

Estate Action No. 6
NOTICE TO CREDITORS

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of Edythe F. Creamer, deceased to present the same with vouchers, to Lloyd G. Creamer at Tientsin, Chihli, China administrator of said estate, on or before September 1st, 1928, and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to said Lloyd G. Creamer, Tientsin, Chihli, China.

Lloyd G. Creamer,
Administrator.

Tientsin, Chihli, China.
March 1, 1928.

What They Think of the Nanking Settlement!

BY J. B. P.

Since the official documents which were exchanged between the American and Chinese Nationalist Governments in the settlement of the Nanking incident of March 24 last year, were not published until the latter part of this week, it was impossible to determine the reaction of the Chinese public regarding the terms of settlement. The publication of advance forecasts in the foreign press in Shanghai early in the week, however, enables one to determine immediately that foreign "die-hard" interests in Shanghai do not like the terms of the understanding which was reached by Messrs. MacMurray and Hwang Fu in respect to the adjustment of the diplomatic impasse which resulted from the incident of a year ago.

Attack by North-China Daily News

The *North-China Daily News*, official British newspaper in Shanghai and organ of "die-hard" foreign interests in China, set the pace with an editorial on Monday morning, April 2 expressing resentment at the terms agreed upon by the United States and suggesting that America's action might prejudice the British Government in its attempt to arrive at an understanding with the Chinese Nationalists. The official British organ also presumes to speak for the American community in China by declaring: "We do not suppose the American community in China will be particularly pleased with what has been agreed." The editor then expresses sympathy with Mr. MacMurray "in having to enter the negotiations with his hands tied by Washington," suggesting by this that Mr. MacMurray was opposed to making any concessions to the Chinese and implying that Washington wanted to get the Nanking incident out of the way before the opening of the Presidential campaign in the United States. Thus do foreign "die-hard" interests in China continue to embarrass foreign officials in China who are supposed to favor "strong" action. The editorial in the official British newspaper will not enhance Mr. MacMurray's prestige either with the Chinese or with his home government and people! If the American Chamber of Commerce in Shanghai will now go ahead and pass some resolutions condemning the American Government for its action in settling the Nanking incident, the Chinese will be led to believe that they have won a great victory and will be encouraged for a further drive against the foreign position.

Chinese Reactions

As stated in the opening paragraph of this article, the late publication of the text of the official documents, has made it impossible to gauge the reaction of the Chinese public, but since Chinese officialdom connected with the Nanking Government is already familiar with the general terms, it is possible to obtain some idea regarding the general drift of opinion. In the first place there is some inclination to criticise Hwang Fu, the Nationalist Foreign Minister for being too anxious to settle the incident, some feeling that the Nationalists might have obtained even better terms had they waited, possibly until the completion of the Northern Military Expedition and the elimination of Marshal Chang Tso-ling. This, of course, is mere hypothetical speculation, for the outcome of the Northern drive is still in the laps of the gods. Therefore there is no point in criticising Mr. Hwang Fu because he didn't obtain a better deal. He obtained the best he could under the circumstances and is to be congratulated for reaching an agreement with the American Government. The terms undoubtedly will have their effect upon the British and Japanese, the British particularly baulked at the Nationalist demand for an apology for the firing of the American and British gunboats on Socony Hill. In this connection the official British newspaper in Shanghai declares, "It is certain that the British Government cannot express regret for the barrage." The *North-China Daily News* also stated in its editorial that a further declaration on the question of treaty revision had no place in the agreement pertaining to the settlement of the Nanking incident, but apparently the American Government thought otherwise for it did make such an announcement, which, while largely a reiteration of the Kellogg Note of January last year, is nevertheless welcomed by the Chinese and will serve again to restore America's waning prestige as a follower of European and Japanese diplomacy in respect to dealings with China.

Generally speaking the reaction of the more moderate Chinese will be favorable to the terms outlined in the exchange of letters between Mr. MacMurray and Mr. Hwang Fu. The radicals probably will attack the documents on the ground that Nanking has again "sold out" to the imperialists, but the radicals had their day last spring and are not in a position to do more than talk at this time. They may be in a postion to talk again in the near future, in the event the Northern Military Expedition is a failure, but for the present the moderates are in power in the Nationalist Government and what they say must prevail for the present at least. The settlement of the Nanking incident will tend to strengthen the hands of the Nationalist politicians with their own people, which is the important point for intelligent thinking foreigners to remember at this time, particularly those foreigners who want to see Nationalism win out as a moderate evolutionary movement rather than as a radical destructive movement which would sweep the foreigners out altogether.

The following notes dealing with the settlement of the Nanking Incident were issued to the press in Shanghai on April 4.

THE SINO-AMERICAN EXCHANGE OF NOTES

(From the Nationalist Minister of Foreign Affairs to the American Minister)

"With reference to the Nanking incident which took place on the 24th of March last year, the Minister for Foreign Affairs of the Nationalist Government has the honor to inform the American Minister that, animated by a desire to promote the most friendly feelings happily subsisting between the American and Chinese peoples, the Nationalist Government are prepared to bring about an immediate settlement of the case, along the lines already agreed upon as a result of the discussions between us beginning from the 26th of February this year.

"In the name of the Nationalist Government, the Minister for Foreign Affairs has the honor to convey in the sincerest manner to the Government of the United States of America their profound regret at the indignities to the American Flag and to the official representatives of that Government, the loss of property sustained by the American Consulate, and the personal injuries and material damages done to the American residents. Although it has been found, after investigation of the incident, that it was entirely instigated by the Communists prior to the establishment of the Nationalist Government at Nanking, the Nationalist Government nevertheless accept the responsibility therefor.

"The Nationalist Government have, in pursuance of their established policy, repeatedly issued orders to the Civil and Military authorities for the continuous and effective protection of the lives and property of American residents in China. With the extermination of the Communists and their evil influences which tended to impair the friendly relations between the Chinese and American peoples, the Nationalist Government feel confident that the task of protecting foreigners will henceforth be rendered easier; and the Nationalist Government undertake specifically that there will be no similar violence or agitation against American lives or legitimate interests.

"In this connection, the Minister for Foreign Affairs has the pleasure to add that the troops of the particular division which took part in the unfortunate incident, at the instigation of the Communists, have been disbanded. The Nationalist Government have in addition taken effective stops for the punishment of the soldiers and other persons implicated.

"In accordance with the well accepted principles of International law, the Nationalist Goverment undertake to make compensation in full for all personal injuries and material damages done to the American Consulate and to its officials and to American residents and their property at Nanking.

"The Nationalist Goverment propose that for this purpose there be instituted a Sino-American Joint Commission to verify the actual injuries and damages suffered by the American residents at the hands of the Chinese concerned, and to assess the amount of compensation due in each case."

THE AMERICAN REPLY

(The reply of the American Minister to the Minister of Foreign Affairs of the Nationalist Goverment)

"In the full realization of the inherent justice and honor of the Chinese people when not affected by the incitations of subversive influences, and with a deep appreciation of the sorrow and humiliation caused to all thoughtful elements of that people by the Nanking incident, and believing that the earnest given as to the punishment of those guilty of the incident will be completely fulfilled at the earliest opportunity—particularly as regards Lin Tsu-han, who was personally responsible for the incident—the American Minister accepts in behalf of his Government the terms set forth in the Note from the Minister for Foreign Affairs in definite settlement of the questions arising out of that incident.

"Confident of the spirit of sincerity in which the present settlement has been made, the American Government looks to the loyal fulfillment of the said terms of settlement as affording a measure of the good faith and good will with which it may anticipate being met, by the Nanking authorities, in other phases of the relationships between the American and the Chinese peoples."

THE NANKING BOMBARDMENT

(From the Nationlist Minister of Foreign Affairs to the American Minister)

"Referring to the notes exchanged this day on the subject of the settlement of the question arising out of the Nanking

(*Continued on page 184*)

In the United States Court for China

In re
Last Will and Testament
of
CHARLES KLINCK
Deceased.

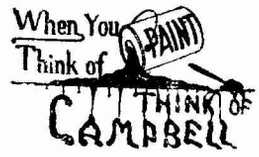
Cause No. 3016
Estate No. 668A

NOTICE

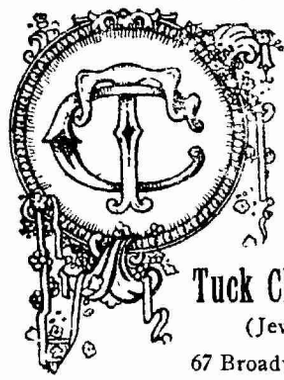
Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of CHARLES KLINCK deceased, to present the same with vouchers to the undersigned, on or before September 20, 1928, and all persons owing debts to the said deceased are hereby notified to make payments of the same in due course to the undersigned.

SCHUHL & SCHOENFELD
ATTORNEYS FOR THE EXECUTORS
141 Szechuen Road,
SHANGHAI, CHINA.

Shanghai, China,
March 8, 1928.



H. B. Campbell
14 Foochow Road,
Shanghai.



Established 1901, 26 years of experince and judgment gained during this period are at your service

Tuck Chang & Co.
(Jewellers)
67 Broadway, Shanghai

KIMONOS & HAORIS

TOYO MURAKAMI
26B, Kiangse Road (corner Ezra Road)

In the United States Court for China

JOHN WILLIAM CARROLL,
Plaintiff,
vs
ELIZABETH WINANS CARROLL,
Defendant.

Cause No. 3049
Civil No. 1281

ORDER

Filed at Shanghai, China, March 27, 1928.

L. T. KENAKE
Assistant Clerk.

The object of this suit is an action for divorce:

WHEREAS plaintiff herein, by his attorney, has this 27th day of March, 1928, made application for the substitution of publication for personal service upon defendant herein; and

WHEREAS it appears from the files of this case that on the 26th day of March, 1928, the Summons for the defendant was returned by the Marshal of the United States Court for China, "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on March 26, 1928, John William Carroll, the Plaintiff herein, filed an affidavit to the effect that the Defendant was residing at Honolulu, Hawaii, nor has she been within the jurisdiction of this Court at any time during last six months prior to March 26th, 1928.

NOW, THEREFORE, it is, this 27th day of March, 1928, ORDERED that the defendant cause her appearance to be entered herein, on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the last day publication of this order; otherwise the cause will be proceeded with as in cause of default.

BY THE COURT,
MILTON D. PURDY
JUDGE

March 27, 1928

(*Continued from page 176*)

Canon Anson Phelps Stokes, Dean of the Washington Protestant Episcopal Cathedral and for 22 years Secretary of the Yale University, has been elected to succeed Professor Williams as the President of the Board of Trustees of Yale-in-China. It is a very fine selection. Yale-in-China plans to resume its work in the Fall of 1928.

In the suit brought by Carl Crow, Shanghai advertising agent, against the *Evening News*, Chinese-owned newspaper in Shanghai, for $7,300, on a claim for unpaid telegraphic services assigned from Reuter's Ltd., a motion for dismissal has been filed by defendants in the Provisional Court on the ground of the change of jurisdiction involved in the assignment of a claim by a British firm to an American.

The Hamburg-American round the world steamer *Resolute* called at Shanghai April 3, arriving early in the morning and departing the same night. The *Resolute* is eastbound, and will return to its starting point, New York City, *via* the Panama Canal. After leaving Shanghai, the steamer went to Chinwangtao, whence the passengers proceeded to Peking. Thirty countries are included in the *Resolute's* itinerary, the round trip taking 140 days.

Mr. R. E. Buchanan, manager of the Shanghai International Testing House and official representative in China for the Silk Association of America, is leaving for Japan next week. Mr. Buchanan has been designated an official member of the American Technical Committee who have been invited by the Raw Silk Association of Japan to visit Tokyo for the purpose of interchanging scientific information and data upon methods of testing and classifying raw silk.

Fashionable Chinese Wedding at Majestic Hotel

Chen Ping-long, manager of the China Commercial Advertising Agency, Ltd., Shanghai was married March 30 to Miss Annie Ying-tong, daughter of Tong Kai-cho, Shanghai sharebroker. Mr. Chen was educated in the United States, and holds degrees from Rochester and Columbia Universities. The wedding took place in the Majestic Hotel and was attended by many foreign friends of the couple. After the ceremony a tea dance was held which was attended by about 250 guests.

February Exports to U.S.A. Show Fair Volume

February exports from Shanghai during February totalled $3,441,557, according to a report issued by the U. S. Consulate General in Shanghai last week. February exports were naturally weak owing to the Chinese New Year season, and the month's business exhibited no special features. Raw skins and undressed furs, particularly in certain lines, showed up quite well, however. Goatskins totalled $311,650, sheepskins $162,582; lambskins, $116,246; and weasel skins, $180,974. A rather interesting item is human hair, of which $20,747 worth was shipped during the month. All figures are in U. S. gold dollars

Exhibition Match by Chinese Davis Cup Team

The Chinese team which will participate in the Davis Cup Tennis Tournaments abroad this year, will give an exhibition match on Saturday, March 7 at Pioneer Field in the French Concession, Shanghai. They will play a team composed of Pott and Roberts of St. John's University. The Chinese team is composed of Gordon Lum and Paul Kong. They are planning to sail for the United States on April 13 or 21.

ADMISSION TO GINLING COLLEGE

STUDENTS desiring to enter Ginling in the fall of 1928 are asked to write to the Entrance Committee, Ginling College, Nanking, and secure application blanks. All blanks must be in before May 1.

Entrance Tests will be given on Friday and Saturday, May 18 and 19, 1928.

From the Chinese Press

(News items pertaining to Chinese politics appearing under this heading, are taken mostly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official) Nationalist (Wu-Han official) and Toho (Japanese) news agencies, and from translations of articles appearing in the local Chinese press).

March 28—Liang Shih-yi, head of the Peking Tariff Commission, in Japanese *Toho* interview declares that he accepted the position owing to a nation-wide demand that action be taken to remove foreign restrictions upon China's tariff; declared that China intends to enforce the transitory tariff shortly despite the civil war situation; that Peking is now negotiating with Nanking on the question of cooperation; that China is now negotiating with Japan on the question of a reciprocal tariff—*Kuo Wen* report states that Chang Tso-ling will dispatch Gen. Chang Hsueh-liang to the front at Tsochow, Yang Yu-ting to Shihchiachwang, Chu Yu-puh to Tamingfu, Sun Chuan-fang to Tsinan and Chang Chung-chang to Yengchow—Chinese bandit Chow Tah-tsai of Northern Kiangsu, who was captured recently, taken to Nanking for execution and more that 100 captives released—Nationalist political committee organized to function at the front, has departed from Nanking for Hsuchowfu—Fengtien troops continue to mobilize on Peking-Hankow line at Shihchiachwang—*Kuo Wen* report states that British Legation has announced that Nanking Incident negotiations "are by no means suspended"—More than 1,000 persons attend mass meeting called by teachers and students in Anking, Anhwei province, and demand consolidation of the educational fund—Chinese declare martial law at Amoy on account of anti-Japanese trouble—Gen. Chang Tso-hsiang departs from Peking for Fengtien front in Northern Shansi following conference with Chang Tso-ling—Thirty delegates from various parts of Nationalist territory will meet in Shanghai on March 31 for financial conference—Report from Taiyuanfu states Fengtien is retreating from Pinghsinkwan to Linchiu—Gen. Li Tsung-jen leaves Nanking for Hankow to assume office as chairman of Hupeh government—Ting Hsin-kwan, alleged Communist arrested at Sungkiang, near Shanghai, executed—Chang Chung-chang and Sun Chuan-fang, Northern commanders in Shantung offer sacrifices to Hwang-kung and Yeh-fei, ancient heroes—Impressive ceremonies held in Nanking at inauguration of Dr. H. H. Kung as Minister of Industry and Commerce—Nanking Government Council accepts resignation of Gen. Bei-Tsung-chi as garrison commander at Shanghai and Woosung and appointed Gen. Chien Ta-chun to the position; Gen. Chien now has three divisions of the 32nd army at Shanghai—Nanking announces intentions to establish museums in different provinces for collection of historical records of the revolution - Nanking decides to create a "Chung-shan Memorial Forest" in vicinity of Dr. Sun Yat-sen's tomb at Nanking.

March 29—Japanese officials and residents at Shanghai make elaborate preparations for entertaining Japanese fleet due at Shanghai on March 31—Japanese airplane from Osaka lands safely at Shanghai, expects to attempt return flight shortly; reported Japanese planning regular transport service between Japan and Shanghai—Japanese *Toho* report from Peking states Fengtien-Chihli-Shantung troops along the Tientsin-Pukow Railway zone number 80,000 with three armored trains and large stocks of ammunition; On Peking-Hankow area Fengtien 8th, 16th and 17th armies are at Shihchiachwang as defense against Shansi; preparations being made for advance on Tamingfu—Reported that Sun Chuan-fang's 4th division has already encountered Fengtien troops at Chinhsiang—Nanking report claims that Chihli-Shantung armored car, "Shantung" captured by Nationalist troops near Hsuchowfu—Yan Hsi-shan claims to have defeated Fengtien troops commanded by Gen. Yu Tse-shan at Pienkuan and that Chang Tso-ling has evacuated Tatungfu and is retreating along the Peking-Suiyuan Railway—*Kuo Min* report from Nanking claims that evidence exists of possibility of rebellion among Chang Tso-ling's troops on Peking-Mukden Railway—Nanking completes organization of Special Propaganda Corps—Hsueh Tu-peh and Chao Pei-lin formally assume office as Nationalist Minister and Vice Minister of the Interior—F. Chang, Director of Customs Administration of Nationaltst Government, removes office from Nanking to Shanghai—Six alleged "notorious" communists, Wang Sung, Niu Tu, Chi Po-hua and Chow Wei-yuan and Tan Hung-chi and Chow Chin-min executed at Hankow—Nationalists pay interest and amortization on 2½ percent loan bonds on March 31—Woosung tests out some new 7-in. guns recently purchased—Nationalists announce new schedule of taxes on exchange transactions in excess of $10,000—Nanking holds memorial for China's 72 revolution-

(*Continued on page 182*)

New Books of Interest in the Far East

Simplifying the Study of the Chinese Language

Current Chinese, or "Shih Yung Hsin Chung Hua Yu," by Capt. J. P. Ratay, Assistant Military Attache, American Legation, Peking: Published by Kelly and Walsh, Shanghai.

Present tendencies in the Chinese Republic are making it more and more necessary for foreigners resident in China to have an understanding of the Chinese language and this applies to business and professional men as well as the missionaries who have always realized the necessity of a speaking knowledge of Chinese. The rendition of the International Mixed Court at Shanghai and the establishment of the Provisional Court, has had the effect of making foreigners realize the value of a knowledge of the Chinese language. The same thing is happening in other lines.

Therefore, this new textbook on the study of current Chinese by Capt. Ratay is most welcome and he is deserving of the highest possible praise for his excellent work, which deals with "Current Chinese" in a practical manner. We mean by this that Capt. Ratay has written a practical book which should enable the student to immediately use in everyday conversation what he has learned in the book or class-room.

For example, the student is taught what to say when being introduced to a Chinese, the questions and answers being exactly what Chinese use in addressing each other. Then there are samples of telephone conversations, conversations with servants, with exchange shop-keepers, with merchants and so on. Heretofore books of this kind have usually been compiled by persons engaged in missionary work and while admirably adapted to missionary work they have not applied so definitely to persons engaged in business or the other professions.

Capt. Ratay's book comes in two volumes, one in English and a second volume for those interested in obtaining a knowledge of the Chinese written language. The price is $12 for the two volumes, or when purchased separately, the English text is $7.50 and the Chinese volume $5.50. The two volumes are well printed in easily read type. B. J.

Dr. Ferguson's Book on Chinese Painting

Chinese Painting, by John C. Ferguson. The University of Chicago Press. Gold $12.50.

One is at first inclined to think that after the publication of some very distinguished works on Chinese art, and especially on Chinese painting by men like Binyon, Fenellosa, Petrucci and Waley, the appearance of another general work on Chinese painting is apt to be regarded as superfluous unless the effort is confined to exploring a special period or a special type of painting. The recent discoveries at Tung-Huang, for which the world owes so much to Stein and Pelliot, have not only an archaeological value, but also possess very definite artistic qualities which should increase our appreciation of what we already know of Chinese religious painting. And the vast subject of Chinese sculpture and Chinese architecture, excepting some very cursory and inadequate treatment of them, remain unfortunately up to the present a sealed treasure to western artists and scholars. I remember distinctly how men like Clive Bell and Roger Fry and Mr. Binyon himself could literally become transfigured when they saw a little specimen of *Wei* sculpture. And near us in the vicinity of Nanking one can haul a whole net of the most exquisite Chinese sculpture of human figures and animals dating back 1000 or 1400 years that are only waiting to be examined and appreciated by just such connoisseurs as Dr. Ferguson.

But while hoping that in the not distant future Dr. Ferguson will perform this task, for which only a man of his knowledge and scholarship will be qualified, we must in the meantime feel thankful in having another notable addition to the foreign books on Chinese painting. His familiarity with Chinese art, his profound knowledge of all that is related to the subject, and his unfailing judgment are really amazing. It need scarcely be said that all this would be impossible if Dr. Ferguson did not stay in the country which fostered that art for over thirty-five years, and devoted himself to the study of his subject with a passion and an enthusiasm worthy of a genuine artist and critic.

The book, therefore, is not just another work on Chinese painting. Excellent as are some of its predecessors written by men of perhaps more delicate sensibility, Dr. Ferguson has given us in his volume a wealth and profusion of material for which all lovers of Chinese art must give unstinted praise. The two early chapters on Sources of Information and Technique provide for us all that the well-informed student need to know about the subject. And the succeeding chapters on the development of Chinese painting through the different dynasties are just a storehouse of the most substantial information. The Index gives a list of at least 1400 different Chinese names most of which are not simply mentioned but are quite thoroughly discussed in a book of only 185 pages! It is impossible to gainsay that this in itself is a stupendous achievement.

One feels inclined to demand, however, from an author so well versed in his subject a work that should, in addition to being scholarly, be at the same time penetrating in its criticism. Previous writers like Binyon or Petrucci or even Miss Meyer, whose treatise on Li Lung-mien is unfortunately not so well-known as it should be, feel so passionately for Chinese art that they are made to give us interpretations of the Chinese masters which breathe life and warmth into their productions. It is a pity that Dr. Ferguson has not indulged in this sort of creative criticism, has not, in other words, enabled us to feel with him the real greatness of his subject. There is lacking, in an otherwise masterly compendium, what Dr. Johnson calls "the grandeur of generality". The result is that the book will be likely to be considered cold and unsympathetic. It will of course serve as an indispensable handbook to all those who desire to be initiated into the rudiments of Chinese painting. But for keen interpretation of the spiritual forces that are responsible for these unique and extraordinary expressions of the human soul, we feel that we must wait for the next edition of the work. There is no question that Dr. Ferguson's scholarship entitles him to such an interpretation more than any one else. In the next edition, we hope also that the illustrations will be more copious, at least, in so far as they will enable the reader to appreciate what is discussed in the text itself. But the book, as it is, should be eagerly sought for by all devotees of great art.

H. H. CHANG.

Kuang Hwa University, Shanghai, March 31, 1928.

The Russian Revolution Interpreted

Russia in Revolution, by Daniel De Leon. New York: N. Y. Labor News Co.

This brochure of 46 pages comprises editorials selected from *The Daily People*, (N. Y.) published in 1904–1906. They describe and interpret the pre-revolutionary upheavals in Russia with particular reference to the revolution of 1905, and its consequences.

Why America Enjoys Prosperity

American Prosperity: Its Causes and Consequences, by Paul M. Mazur. New York: The Viking Press. $2.50.

The author of this book is a banker and is one of many who have studied the causes of American prosperity.

There is no gainsaying the fact that America is prosperous, although there are discordant notes here and there, as Mr. Mazur admits. The miners in many sections are having a hard time of it and certain textile lines are very dull, but nevertheless the total income of the nation is greater than it has been in any previous period, and this is what is meant by "prosperity."

One of the principal reasons for America's prosperity, as has been pointed out many times before, is the speeding up of production, making the product move while the workman keeps his place, the system of which Henry Ford is the principal exponent. The result is an enormous production at a very low unit cost.

The next thing the manufacturer has to look out for is to get customers, lots of them. The problem is to create a general desire among the public to possess these things that the manufacturers produce in such superabundance. Automobiles are the standard examples. Profuse advertising, high powered salesmanship and the installment plan have resulted in one out of every five families in the United States possessing a motor car. It is a process not unlike attaching a bundle of hay before the shafts of a donkey. The donkey is constrained to exert himself very much more than he otherwise would.

Advertising undoubtedly costs a great deal of money and apparently adds to the final cost to the consumer, although usually the extra sales thus secured reduce the unit cost so much that in the end the buyer is the gainer.

"Making the crowd want these things" seems to be the real answer to the question of why America is prosperous. Undoubtedly autos, steam heat, refrigerators, etc. are desirable things to have, for they add to the comfort and the health of the public.

Like every other student of America's prosperity, Mr. Mazur discusses the prospects for the future. The Federal Reserve system with its provision for elastic credit will to a great extent prevent the "hard times" epochs of the past, and one of the restraining influences against over-expansion by American manufacturers and merchants has been a fear that a slump was due. The slumps never came and it is a paradox

that it was the fear of them that prevented conditions that would cause them.

America's future prosperity is very much bound up with conditions in Europe and the payment of the war debts. "Eventually," says the author, "the changed international financial status of America and Europe will create a surplus of imports in America's balance of trade. The results of a loss of our favorable balance of trade constitute the greatest single threat to American business which it is possible to foretell for the near future. If the eventual existence of a surplus of imports is accepted as a fact, then surely there can be no doubt that foreign competition and serious tariff questions will be consequences of that import balance. Nor is any one likely to deny the probability that such an excess of imports will impose onerous and possibly dangerous burdens upon those American industries which will most feel the competition with European industries. All this must follow as a natural sequence to an American import surplus." G. W. M.

The "World's Greatest Newspaper"

Pictured Encyclopedia of the W. G. N. Chicago: Tribune Co.

The Chicago *Tribune* believes in taking the public into its confidence. To the great world at large the getting out of a newspaper is either a great mystery or else is taken as a matter of course. The public in general has little knowledge or little appreciation of the gigantic task, both administrative and mechanical, that is involved in getting out a modern daily newspaper. That it is a long story may be inferred from the fact that it takes 790 pages to tell it. While the W. G. N. Encyclopedia is of special interest to newspaper workers, the book is also of great interest to the general public since it explains the technical processes of newspaper production and in a way which can be generally understood.

(*Continued from page 180*)

ary heroes—Chekiang gentry request Gen. Ho Yin-chin to return to province—*Kuo Wen* report states Fengtien has 100,000 troops on Peking-Hankow line—Three divisions from Kiangsi arrive at Nanking for participation in Northern expedition—Chiang Kai-shek appoints Gen. Chu Hsi as high adviser—MacMurray, American Minister, opens negotiations with Hwang Fu, Nationalist Foreign Minister on Nanking incident—*Kuo Wen* report states that National City Bank of New York has agreed to extend a loan of $1,000,000 which was made to the China Merchants Steam Navigation Company, which was due on March 1 but which the company is unable to pay.

March 30—Marshal Feng Yu-hsiang issues proclamation on religious liberty for Honan province—Nanking orders investigation of radio arrangement entered into between French Kokuza station at Shanghai and the Radio Corporation of Philippines for commercial and news services—Gen. Fong Ting-ying, commander of 46th army at Hangchow goes to Nanking to assume command of his troops which are stationed in Pukow-Pengpu section of the Tientsin-Pukow Railway—Nationalists appropriate $200,000 for developing a forestry reserve at Sun Yat-sen tomb at Nanking—Kin-Han railway at Hankow sets aside 200 cars for troop transportation—Chiang Kai-shek organizes special committee to function at his headquarters at front consisting of Ching Tso-ping, Hsiung Pin, Liu Po-shan, Chang Pi, Kung Fan-wei, Lan Ke, Lu Ti and Sun Hsiung—Kiangsu relief association appropriates $160,000 for relief of northern Kiangsu—Japanese airplane returns to Japan from Shanghai—Fengtien air service concentrated at Tsi-nan, prepares to bombard Hsuchowfu—Japanese Legation Councillor, Mr. Hori, at Peking departs for inspection trip of Yangtsze—Gen. Chu Yu-puh, tupan of Chihli, opposes abolition of likin and notifies Peking Tariff Commission to this effect—Japanese delegation to South China from Hokaido decides to establish direct steamship service; Dairen Steamship Company also decides to establish service between South China, French Indo-China and South Seas, establishing office in Hongkong for purpose—Chiang Kai-shek asks Gen. Li Chi-sum to serve as chairman of the National Military Council at Nanking during Chiang's absence at front: *Kuo Wen* report states Li may accept position and remain in Nanking for month—Nanking active with military preparations—Kwoh Liang, alleged Communist chief in Hunan arrested and shortly to be executed—Hankow report by *Kuo Wen* states that Communist and bandit complications still acute in Hunan—Peking Premier entertains Sir Miles Lampson—*Kuo Wen* report from Peking states that delay in Fengtien attack on Feng Yu-hsiang due to Chang Tso-ling's uncertainty regarding cooperation on the part of his subordinates; Pan Fu, premier urges Chang Tso-ling to go ahead and issue a punitive mandate against Feng—Bei Tsung-kun, financial commissioner of Hupeh reports to Rehabilitation Conference at Changsha that income of Hupeh is $40,000,000 a year but that military expenditures amount to $70,000,000—Nationalist Government requests Kwangtung to enact labor legislation immediately.

March 31—Toho report from Peking states that outlook for settlement of tariff question is questionable owing to dissension in the Peking Government, the military leaders being opposed to the abolition of likin and also dissension among the members of the Peking Tariff Autonomy Commission—Japanese third battle squadron coming to Shanghai and Yangtsze ports—Anti-Japanese meetings in Amoy cause Japanese to dispatch cruiser; four American destroyers and six submarines also in port; Chinese students demand redemption of Kulangsu concession at Amoy—Generals Li Tsung-jen and Chen Ming-chu arrive at Hankow but proceed at once for Changsha to interview Bei Tsung-chi and Cheng Chien; Wu-han generals rapidly dispatching troops to participate in Northern expedition—Generals Li Chi-sum and Ho Ying-chin formally installed as chief-of-staff and assistant chief-of-staff to Chiang Kai-shek, both to have charge of the situation in the rear during Chiang Kai-shek's absence at the front—Hsueh Tu-pi inaugurated as Minister of Interior of Nationlist Government pledges self to purge political administration of corruption and abuses—Gen. Chien Ta-chun takes over office as commander Shanghai-Woosung Gendarmerie—Fengtien troops withdraw from Tatungfu and concentrate at Tienchun and Kalgan, according to telegram from Yen Hsi-shan—*Kuo Min* report from Nanking states Chiang Kai-shek has received the sum of $15,000,000 from Shanghai for war purposes—*Kuo Min* report from Canton states that Government troops recaptured Chaoyang from the Communists, following which the 76th and 77th Regiments under Generals Yen Ten-chi and Tseng Yu-jen are advancing to attack Hweilai—Chiang Kai-shek and entire staff cross Yangtsze at Nanking and depart for front—*Kuo Min* report from Nanking states that a bandit leader in Shantung named Liu Hei-chi enticed the 13th division of Chihli-Shantung troops into a trap in the Jihchao mountains of Southern Shantung and captured all the troops—Generals Hsu Chin-tang, Chen Ming-chu, Chen Chi-tang and Wang Ying-tai appointed on rehabilitation commission for Kwangtung—Serious bandit troubles develop near Weihsien, Shantung, several students and teachers being captured—Nanking Government appoints famine commmittee—Sung Li appointed head of Nanking Land Bureau—Peking expected to launch general attack on Feng's forces in Honan on April 1—Sir Miles Lampson, British Minister discusses Chinese tariff question with Japanese Minister Yoshizawa, telling him that it has been necessary for Britain to readjust her policy with the Nationalists, according to *Kuo Wen* report—Miss Soume Chen, Chinese woman lawyer and former chairman of the Shanghai Provincial Court, arrives in Paris to investigate conditions in France.

April 1-2—Japanese Minister Yoshizawa in *Toho* interview from Peking, in reference to settlement of Nanking incident by America says that negotiations with Japan are still proceeding and that an agreement may be reached shortly in reference to the Chinese arms embargo. Yoshizawa declared that Japan is still trying to induce Russian to agree with the other Powers; declares China has not approached Japan regarding the customs question—*Toho* report states that Gen. Wang Tung-hai, commander of the 4th Shansi division has rebelled and joined Fengtien, but report is not confirmed,—1,000 troops of 8th division of 3rd army leave Kiukiang for down stream to join Northern drive—Japanese Third Crusier Squadron arrives in Shanghai for trip up the Yangtsze while First Battle Squadron goes to Hongkong to visit British fleet; fleets total more than 80 warships and tenders—Peking drafts mandate against Feng Yu-hsiang, but has not yet issued it—Peking Government determines to make further cuts in personnel of departments to save money—Chiang Kai-shek and staff arrives at Hsuchowfu to lead Northern expedition against Sun Chuan-fang in Shantung—Li Chi-sum definitely decides to remain in Nanking temporarily—Nanking Government Council urges Wu-Han military leaders to advance northward along Kin-Han line and cooperate with Feng Yu-hsiang—Gen. Hu Tsung-tu arrives in Hankow with his troops on way North from Hunan—Yen Hsi-shan of Shansi agrees to send delegates to Nanking educational conference and also decides to adopt the mass-education movement" in Shansi—3,000 Nationalist troops in "plain clothes" start offensive against Chihli; Shantung troops at Ichowfu, Shantung, claim to have killed more than 100 Northerners under Gen. Wang Tung—Nationalist River and Harbor Pilots Association send recommendation to E. W. Maze, Commissioner of Customs asking that Chinese be admitted to the Shanghai Pilots Association and that the regulations of that organization be revised and modernized—Feng Yu-hsiang remits $100,000 for famine relief at Tsaochow in southern Shantung—Feng Yu-hsiang sends agents to Shanghai to purchase radio equipment—Shanghai arsenal sends more ammunition North—Peking report states that

Chang Tso-ling is trying to borrow "several millions" from German banks for war purposes—*Kuo Wen* report from Nantungchow, Kiangsu states that Nationalist Government has ordered confiscation of properties of Chang Cha, Kiangsu industrialist to amount of $2,000,000 owing to his alleged support of Sun Chuan-fang; Chang Cha's whereabouts now unknown—Kang Chao appointed head of political training department and Chiu Tsang of military court at Shanghai by Gen. Chien Ta-chung, new defense commissioner.

April 3—Japanese protest Peking Government's abrogation of through traffic arrangement between Peking-Mukden Railway and the South Manchuria Railway and the Mukden-Hailung Railway as well as the removal of two locomotives and 32 cars from the Tiaoan-Angkouchi Railway which the Japanese state are securtiy for a loan which the Japanese have advanced to Chang Tso-ling—Section of Northwestern army under Sun Lin-chung defeats Fengtien forces under Yu Hsueh-chung in vicinity of Techow, southern Chihli—Report from Hsuchowfu, northern Kiangsu, states that Taierchwang in southern Shantung was captured by Nationalist troops under Sun Sheng-tu—C. C. Wu, Sun Fo and Hu Han-ming telegraph Nationalist Government from Angora, Turkey that Turkey is friendly toward China and will shortly send an envoy to China—Admiral Yang Shu-chuang, commander of the Nationalist Navy has recommended the construction of two naval bases, one at Amoy and the other at Mamoi in Fukien province for the purpose of strengthening China's national defenses—Seventy more Communists arrested in Canton—Quo Tai-chi protests alleged unequal distribution wharfage dues at Shanghai between the Chinese authorities and the foreign settlement authorities—Li Chi-sum informs Nanking that Kwangtung province may shortly remit $7,000,000 monthly for the Northern expedition and that Kwangsi will remit $300,000 a month—Reports from Peking indicate heavy fighting in northern and eastern Shansi—C. T. Wang, director-general of the Lung-Hai Railway arrives in Nanking to arrange a cooperative system between the Lung-Hai and Tientsin-Pukow Railways—Nanking asks Yunnan provincial authorities not to organize any new armies—Peking appoints Gen. Chang Chao as commander of military along Chinese-Eastern Railway—Chinese commercial organizations in Hankow demand that the Central Bank of China and Bank of Communications immediately arrange to cash their notes—Nationalist Labor Bureau placed under Ministry of Commerce and Industry—Shanghai Municipal Council announces settlement of long-standing dispute with Chinese interests whereby three Chinese are to be admitted to the Council and six Chinese be given seats on the various municipal committees.

Compagnie Orientale de Capitalization Case in U. S. Court

The affairs of the defunct Compagnie Orientale de Capitalization, an institution which was in the same line of business as the International Savings Society, were ventilated in the United States Court for China before Judge Purdy, during the past week, when Tom Griffin, John Alexander Turner and Alexander McClure, accountants, and Wang Tse-kong, Wong Ting-juh and China Chan-tay, described in the complaint as receivers and liquidators, sued O. G. Steen, W. I. Eisler and J. Harold Dollar, a fourth defendant mentioned being the Realty Syndicate, Inc. The brunt of the defense fell on O. G. Steen, as Mr. Dollar and Capt. Eisler are in the United States.

The allegation was that the C. O. C. was lawfully possessed as owner of 358 shares of the Realty Syndicate, valued at $114,657, and that defendants unlawfully took and converted the shares to their own use.

Mr. Steen in his testimony stated that at the end of 1924, as the C. O. C. was not well off financially, the directors decided to turn over to the C. O. C. the 358 shares of the Realty Syndicate, the shares which formed the basis of the present suit. However, the Company continued to lose money, Mr. Steen attributing the later heavy losses to the May 30 incident and the military disturbances in the interior. After almost two hundred thousand dollars had been lost, the directors decided to sell their shares. According to witness, J. Harold Dollar ceased to be a director in June 1925.

National City Bank Extends Time for Repayment of Loan to C.M.S.N. Co.

A loan of a million dollars made some time ago by the National City Bank of New York to the China Merchants Steam Navigation Co. expired at the end of March, and according to the *Kuo Wen* News Agency, the Bank has agreed to a request of T. C. Chao, superintendent of the C.M.S.N. Co. to extend the loan to the end of 1928, on the assurance of Mr. Chao that as this steamship company is now under Nationalist control, economies are being effected, and payment of the loan will be made as promised.

Dr. Holcombe Addresses American University Club

Dr. Arthur N. Holcombe, Professor of Government at Harvard University, was the principal speaker before the American University Club at the Navy Y. M. C. A. in Shanghai March 30. Quo Tai-chi, Commissioner of Foreign Affairs at Shanghai, presided. John Van A. MacMurray, American Minister, was present, but Dr. Jeremiah Jenks, president of the Alexander Hamilton Institute, was prevented from attending owing to his steamer for Manila having sailed earlier in the day. Dr. Holcombe in the course of his remarks stated that while he found men in many countries who looked upon politics as a branch of money-making he had not lost hope in the ability of college and university graduates to improve the social conditions under which the people of the world live.

Dr. Arthur N. Holcombe

Dr. C. T. Wang Plans to Improve Lung-Hai Railway

Dr. C. T. Wang, director of the Lung-Hai Railway, is developing plans for the improvement of the line. Among the equipment which Dr. Wang plans to purchase in the near future are 100 additional locomotives, 200 passenger coaches and 1,200 freight cars. Preparation are also being made for the extension of the line to Shensi. It is understood that the cost of construction will be $12,000,000. Efforts are now being made to raise the necessary money for the construction in order to develop the rich lands in the Northwest.

Latest New York Stock Exchange Quotations

April 3. Swan, Culbertson & Co. Tel. 1889-8990

Market Closed Trrgular Business Done (Shares) 3,000,000

STOCK	Previous Price	Latest Price
Allied Chemical & Dye (Common)	158	162
American Can (Common)	85⅞	83⅞
American Radiator (Common)	149¼	150¼
Anaconda Copper (Common)	58½	62⅞
Armour & Co. (Illinois) 7% Pfd.	74½	76⅞
American Telephone & Tel. (Common)	181⅝	181
American Tobacco "B"	169	166⅝
Bank of Montreal	352	358
Bethlehem Steel (Common)	58½	57½
Bethlehem Steel, 7% Pfd.	120½	120½
Canadian Pacific Railway	211¼	210½
Canada Dry Ginger Ale	63⅛	66
Cerro de Pasco	66¾	66½
Coty Incorporated	145	146
E. I. du Pont de Nemours (Common)	376¼	377
Fox Film "A"	77⅜	77⅜
General Motors (Common)	185	183¼
International Match, Pfd.	109¾	112⅞
International Product Corp.	78½	78½
International Nickel (Common)	94¼	91½
Ligget & Myers, Class "B"	107	107⅛
Mack Trucks (Common)	97⅛	95
Missouri Pacific, 5% Pfd.	28	27
New York Central (Common)	178⅞	173⅛
Packard Motor Car Co. (Common)	70¼	68⅛
Phillips Petroleum (Common)	41¼	40⅞
Pacific Gas & Electric	47	46⅜
Radio Corp. of America (Common)	170	187
Reynolds Tobacco, Class "B"	142½	143⅜
Standard Gas & Electric (Common)	64½	63¼

(*Continued on page 184*)

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Mar. 22	Sale Price Mar 29th	Approx. Yield to Maturity % Mar. 29th
Czecho Slovak Govt. Sinking Fund Loan	8	Oct. 1, 1952	110⅞	111	7.05
Czecho Slovak Govt. Ext. S. F. Loan	7½	Oct. 1, 1945	105¼	105⅛	6.99
Republic Chile S.F. Loan	7	Nov. 1, 1942	103	104⅛	6.55
Argentine Government.. Ext. S.F. Loan	6	May. 1, 1960	100¼	100¼	5.98
Kingdom of Italy, Ext. S. F. Loan	7	Dec. 1, 1951	98¼	99	7.09
Austrian S. F. G. Loan	7	June 1, 1943	104	103¾	6.60
Japanese Govt. (£)	5	1907/1947	84½	85½	6.30
German Govt. S. F. Loan	7	Oct. 15, 1949	107⅝	107¾	6.34
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 15, 1950	100⅞	100⅞	6.92
Saxon Public Works Inc. 1st Mtge. S. F. Loan	7	Feb. 1, 1945	102⅜	102¼	6.78
German G.E.C.S.F. Loan	7	Jan. 15, 1945	104⅜	104⅝	6.56
Finnish Guaranteed Municipalities S. F. Loan	6½	Oct. 1, 1954	99⅝	101	6.42
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	98½	98½	6.65
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	101	101	6.39
Cuban Domin. Sugar Co. 1st Lien S. F. Loan	7½	Nov. 1, 1944	101	101	7.39
Camaguey Sugar Co. 1st. Mtge. S. F. Loan	7	Oct. 15, 1942	100⅜	100⅜	6.92
Pennsylvania Dixie Cement Corporation	7	Pfd. Stock	96	98	7.14
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	112	112	6.25
Willys Overland Co.	7	Pfd. Stock	99¼	99	7.07
The National City Bank of New York	20	Stock	800	895	2.24
Republic of Peru Ext. Secured S. F. Loan	7½	Sept. 1, 1956	107¼	107½	6.91
Hershey Chocolate Corp.	$4	Pfd. Stock	—	70	Mutilated
Belgian National Railway Co. Participating Pfd. Stock (American shares) Market to yield					7.20
Paris Lyons Med. R. R.	6%	Aug. 15, 1958		100	6.00
Norwegian Hydro-Electric-Nitrogen Corp.	5½	Nov. 1, 1957		94¼	5.92

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

(*Continued from page 183*)

Schulte Retail Stores (Common)	52¼	53⅞
Southern Railway (Common)	149	146
Standard Oil of California	55⅞	57
„ „ of New Jersey	40¾	41⅛
Standard Oil of New York	30⅛	30
„ „ of Indiana	77	76⅞
Texas Corporation (Common)	52¾	53⅜
Tobacco Products, Class "A"	123	109⅛
Union Carbide	148⅛	149⅛
Union Pacific RR. (Common)	197⅜	195⅜
Wright Aeronautical	86⅛	100
United States Rubber, 8% Pfd.	92	89½
United States Rubber (Common)	49⅞	49½
United States Realty & Imp. Co.	66½	66½
United States Steel	147⅛	146⅛
N. German Lloyd, 6%—1946	94½	94¾
Shinyetsu Elec. Power Corp. 6½% 1952	96	96¾
General Cigar	74⅛	70½
Texas Gulf Sulphur	75	74⅝
Lorillard Company (Common)	41⅛	41

SHIRTS & PYJAMAS

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44-232

(*Continued from page 178*)

incident of March 24th, 1927, the Minister for Foreign Affairs of the Nationalist Government has the honor to invite the attention of the American Minister to the fact that on that date fire was opened upon Socony Hill, at Nanking, by the American war vessels, Noa and Preston, then lying in port. In view of this fact the Nationalist Government earnestly hopes that the American Government will express regret at this action."

U. S. REGRETS NECESSITY

(From the American Minister to the Nationalist Minister of Foreign Affairs)

"The American Minister has the honor to acknowledge the receipt of a note of today's date from the Minister for Foreign Affairs in which reference was made to the fact that on March 24, 1927, the American war vessels Noa and Preston, then lying in port, opened fire upon Socony Hill at Nanking, and in which the hope was expressed that the American Government would indicate their regret at this action.

"In reply, the American Minister has to point out that the firing referred to was in fact a protective barrage, strictly confined to the immediate neighborhood of the house in which the American Consul and his family and staff, together with many others, had been driven to seek refuge from the assaults of an unrestrained soldiery; and not only did it provide the only conceivable means by which the lives of this party were saved from the danger that imminently threatened them, but it also made possible the evacuation of the other American residents at Nanking, who were in actual peril of their lives. The American Government therefore feels that its naval vessels had no alternative to the action taken; however deeply it deplores that circumstances beyond its control should have necessitated the adoption of such measures for the protection of the lives of its citizens at Nanking."

TREATY REVISION

(From the Nationalist Minister of Foreign Affairs to the American Minister)

"Referring to the notes exchanged this day on the subject of the settlement of the questions arising out of the Nanking incident of March 24, 1927, the Minister for Foreign Affairs of the Nationalist Government has the honor to express the hope that a new epoch will begin in the diplomatic relations between China and the United States, and to suggest that further steps may be taken for the revision of the existing treaties and the readjustment of outstanding questions on the basis of equality and mutual respect for territorial sovereignty."

U S. FAVORABLE

(From the American Minister to the Nationalist Minister of Foreign Affairs)

"The American Minister has the honor to acknowledge the receipt of a note of today's date in which the Minister for Foreign Affairs expressed the hope that a new epoch would begin in the diplomatic relations between the United States and China, and that further steps might be taken for the revision of the existing treaties and the readjustment of outstanding questions on the basis of equality and mutual respect for territorial sovereignty.

"Although the question of treaty revision can scarcely be considered germane to that of amends to the American Government and its nationals for the Nanking incident, the American Minister is not averse from setting forth at this time what he has already made known in that regard to the Minister for Foreign Affairs in conversations with him last month.

"It is unnecessary to recall the traditional friendship existing between the United States and China. As is manifest alike from the course of action consistently pursued by the American Government and from the statement of policy made by the Secretary of State on January 27th, 1927, the Government and the people of the United States are in full sympathy with the desire of the Chinese people to develop a sound national life of their own and to realize their aspirations for a sovereignty so far as possible unrestricted by obligations of an exceptional character. With that in view, the American Government entertains the hope that the remedying of the conditions which necessitated the incorporation of such provisions in the earlier treaties may from time to time afford opportunities for the revision, in due form and by mutual consent, of such treaty stipulations as may have become unnecessary or inappropriate.

"To that end, the American Government looks forward to the hope that there may be developed an administration so far representative of the Chinese people, and so far exercising real authority, as to be capable of assuring the actual fulfilment in good faith of any obligations such as China would of necessity have for its part to undertake incidentally to the desired readjustment of treaty relations."